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 137B (FCA general rules: clients’ money, right to rescind etc); 
(3) section 137R (Financial promotion rules);
(4) section 137T (General supplementary powers); and
(5) section 139A (Power of the FCA to give guidance).

B. The rule-making provisions listed above are specified for the purposes of section 138G(2) (Rule-making instruments) of the Act.

Commencement

C. This instrument comes into force on 6 April 2017.

Amendments to the Handbook

D. The modules of the FCA’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).

<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>Conduct of Business sourcebook (COBS)</td>
<td>Annex B</td>
</tr>
<tr>
<td>Banking: Conduct of Business sourcebook (BCOBS)</td>
<td>Annex C</td>
</tr>
<tr>
<td>Client Assets sourcebook (CASS)</td>
<td>Annex D</td>
</tr>
</tbody>
</table>

Notes

E. In Annexes B and C to this instrument, the “notes” (indicated by “Note:”) are intended for the convenience of readers but do not form part of the legislative text.

Citation

F. This instrument may be cited as the Conduct of Business and Client Assets (Lifetime Individual Savings Account) Instrument 2017.

By order of the Board
6 March 2017
Annex A

Amendments to the Glossary of definitions

In this Annex, underlining indicates new text, unless otherwise stated.

Insert the following new definitions in the appropriate alphabetical positions. The text is not underlined.

- **cash-only lifetime ISA**: a *lifetime ISA* which can include only those qualifying investments prescribed in paragraphs 8(2)(a), (b), (h), (j) and (n) to (q) of the ISA Regulations.

- **lifetime ISA**: an *individual savings account* as prescribed in regulation 4(1ZB) of the ISA Regulations.

- **lifetime ISA business**: a firm’s activities, in its capacity as an *ISA manager*, in connection with a *lifetime ISA* which is not either or both *MiFID business* and designated *investment business*.

- **lifetime ISA charges**: any fee or charge made to a *retail client* in connection with the opening or operation of a *lifetime ISA*, whether levied by the *firm* or any other *person*, but excluding any fees or charges:
  
  (a) payable by or on behalf of a *retail client* to a *firm* in relation to the provision of a *personal recommendation* by the *firm* in respect of the *lifetime ISA*; and

  (b) relating to the qualifying investments held in the *lifetime ISA* (including in relation to the provision of a *personal recommendation* in respect of those investments).

- **lifetime ISA government bonus**: has the meaning given to “government bonus” in paragraph 1 of the Schedule to the ISA Regulations.

- **lifetime ISA government withdrawal charge**: has the meaning given to “withdrawal charge” in paragraph 9(4) of Schedule 1 to the Savings (Government Contributions) Act 2016.

Amend the following definition as shown.

- **client money**: …
  
  (2A) …
(bc) that a firm receives or holds for, or on behalf of, a client in the course of, or in connection with, its lifetime ISA business; or

...
Annex B

Amendments to the Conduct of Business sourcebook (COBS)

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

1 Application

1.1 The general application rule

1.1.1A R This sourcebook does not apply to a firm with respect to the activity of accepting deposits carried on from an establishment maintained by it, or its appointed representative, in the United Kingdom, except for COBS 4.6 (Past, simulated past and future performance), COBS 4.7.1R (Direct offer financial promotions), COBS 4.10 (Systems and controls and approving and communicating financial promotions), COBS 13 (Preparing product information), and COBS 14 (Providing product information to clients) and COBS 15 (Cancellation) which apply as set out in those provisions, COBS 4.1 and the Banking: Conduct of Business sourcebook (BCOBS).

4 Communicating with clients, including financial promotions

4.5 Communicating with retail clients

4.5.11 G Information about relevant risks (COBS 4.5.2R) that a firm should give a retail client in relation to a lifetime ISA may include:

(1) an explanation of:

(a) a retail client’s eligibility to subscribe to a lifetime ISA (including annual subscription limits) and to claim the lifetime ISA government bonus;

(b) the lifetime ISA government withdrawal charge and the circumstances in which it might arise; and

(c) the process by which a retail client can transfer a lifetime ISA.
ISA; and

(2) warnings that, if the retail client:

(a) incurs a lifetime ISA government withdrawal charge, the retail client may get back less than they paid in to a lifetime ISA;

(b) saves in a lifetime ISA instead of enrolling in, or contributing to a qualifying scheme, occupational pension scheme, or personal pension scheme:

(i) the retail client may lose the benefit of contributions by an employer (if any) to that scheme; and

(ii) the retail client’s current and future entitlement to means tested benefits (if any) may be affected.

...

4.7 Direct offer financial promotions

4.7.1 R (1) Subject to (3) and (4), a firm must ensure that a direct offer financial promotion that is addressed to, or disseminated in such a way that it is likely to be received by, a retail client contains:

...

...

(4) If a communication relates to a firm’s business that is not MiFID or equivalent third country business, this section does not apply:

(a) to the extent that it is an excluded communication;

(b) to the extent that it is a prospectus advertisement to which PR 3.3 applies;

(c) if it is image advertising;

(d) to the extent that it relates to a deposit that is not a cash deposit ISA, cash-only lifetime ISA or cash deposit CTF;

(e) to the extent that it relates to a pure protection contract that is a long-term care insurance contract.

...

13 Preparing product information
13.1 The obligation to prepare product information

13.1.1 R A firm must prepare:

(1) a key features document for each packaged product, cash-deposit ISA, cash-only lifetime ISA and cash-deposit CTF it produces; and

(2) a key features illustration for each packaged product it produces;

in good time before those documents have to be provided.

...

13.3 Contents of a key features document

General requirements

13.3.1 R A key features document must:

(1) include enough information about the nature and complexity of the product, how it works, any limitations or minimum standards that apply and the material benefits and risks of buying or investing for a retail client to be able to make an informed decision about whether to proceed; and

(2) explain:

...

(e) (for a personal pension scheme that is not an automatic enrolment scheme) clearly and prominently, that stakeholder pension schemes are generally available and might meet the client's needs as well as the scheme on offer; and

(3) (for a cash-only lifetime ISA) include the information set out in COBS 14 Annex 1.

...

14 Providing product information to clients

14.1 Interpretation

14.1.1 R In this chapter:

(1) 'retail client' includes the trustee or operator of a stakeholder pension scheme or personal pension scheme and the trustee of a money-purchase occupational pension scheme; and

(2) ‘sell’ includes ‘sell, personally recommend or arrange the sale of’ in relation to a designated investment and equivalent activities in relation to a cash-deposit ISA, cash-only lifetime ISA and cash-
14.2 Providing product information to clients

The provision rules

14.2.1 A firm that sells:

... 

(4) a cash-deposit ISA, cash-only lifetime ISA or cash-deposit CTF to a retail client, must provide a key features document to that client;

(4A) a lifetime ISA, which is not a cash-only lifetime ISA, to a retail client must provide to that client the information in COBS 14 Annex 1;

... 

After COBS 14.4 (Provision of information by an intermediate Unitholder) insert the following new Annex. The text is not underlined.

14 Lifetime ISA information

Annex 1

<table>
<thead>
<tr>
<th>Features of a lifetime ISA</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>1</strong> Features of a lifetime ISA</td>
</tr>
<tr>
<td><strong>1.1</strong> An explanation to the retail client of the key features of a lifetime ISA, including:</td>
</tr>
<tr>
<td><strong>1.1.1</strong> eligibility criteria to open and subscribe to a lifetime ISA;</td>
</tr>
<tr>
<td><strong>1.1.2</strong> annual lifetime ISA subscription limits;</td>
</tr>
<tr>
<td><strong>1.1.3</strong> tax treatment of qualifying investments held in a lifetime ISA;</td>
</tr>
<tr>
<td><strong>1.1.4</strong> process for transferring a lifetime ISA;</td>
</tr>
<tr>
<td><strong>1.1.5</strong> eligibility for the lifetime ISA government bonus; and</td>
</tr>
<tr>
<td><strong>1.1.6</strong> the lifetime ISA government withdrawal charge and the circumstances in which this might be incurred.</td>
</tr>
<tr>
<td><strong>1.2</strong> The explanation in COBS 14 Annex 1 1.1R(6) should include a warning</td>
</tr>
</tbody>
</table>
that:

(1) the *lifetime ISA government withdrawal charge* recovers any *lifetime ISA government bonus* and any investment growth on that bonus plus an additional amount; and

(2) if the *lifetime ISA government withdrawal charge* is incurred, the *retail client* could receive back less than they paid in.

2 Additional factors for a retail client to consider when deciding whether to invest in a lifetime ISA

2.1 R An explanation to the *retail client* of:

(1) the different savings objectives for which the *lifetime ISA* is intended, being house purchase and/or saving for retirement, either in the alternative or in combination; and

(2) the types of qualifying investments which can be held in the *lifetime ISA* being sold by the *firm*.

2.2 R A warning that if a *retail client* saves in a *lifetime ISA* instead of enrolling in, or contributing to, a *qualifying scheme, occupational pension scheme* or *personal pension scheme*:

(1) the *retail client* may lose the benefit of contributions by an employer (if any) to that scheme; and

(2) the *retail client’s current and future entitlement to means tested benefits* (if any) may be affected.

2.3 G The explanation in *COBS 14 Annex 1 2.1R* should:

(1) encourage a *retail client* to consider their *lifetime ISA* subscription level and choice of qualifying investment in relation to their savings objectives, their expected investment horizon and their financial circumstances as a whole, including other provision for retirement; and

(2) inform the *retail client* that the factors in (1) may change over time and that the *retail client* should regularly review their *lifetime ISA* subscription and/or qualifying investments.

3 Example outcome of retirement saving by a retail client in a lifetime ISA

3.1 R A descriptive heading such as ‘What a lifetime ISA might be worth at age 60?’

3.2 R A completed version of the table in *COBS 14 Annex 1 3.5R*.

3.3 R An explanation, positioned adjacent to this table on the same page, stating
that:

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>(1)</td>
<td>the table is designed to:</td>
</tr>
<tr>
<td>(a)</td>
<td>help the retail client understand what the value of a lifetime ISA might be at age 60, depending on the age at which saving starts and assuming the maximum annual subscription at the beginning of each tax year up to age 50 and receipt of the lifetime ISA government bonus; and</td>
</tr>
<tr>
<td>(b)</td>
<td>provide information for a retail client who is saving for retirement in a lifetime ISA and so may not be relevant to a retail client whose saving objective for a lifetime ISA is house purchase; and</td>
</tr>
<tr>
<td>(2)</td>
<td>the estimated outcomes in Columns 4 and 5:</td>
</tr>
<tr>
<td>(a)</td>
<td>are based on standardised rates of return which may not reflect:</td>
</tr>
<tr>
<td>(i)</td>
<td>actual or expected returns; or</td>
</tr>
<tr>
<td>(ii)</td>
<td>the retail client’s choice of qualifying investment for a lifetime ISA (accompanied by an indication of how the retail client can access information relating to the qualifying investments which the retail client may purchase from the firm); and</td>
</tr>
<tr>
<td>(b)</td>
<td>include the effect of lifetime ISA charges and inflation on estimated outcomes from a lifetime ISA; and</td>
</tr>
<tr>
<td>(3)</td>
<td>Column 6 shows the effect of lifetime ISA charges and inflation on the returns from a lifetime ISA which the retail client can use to compare the lifetime ISA charges applicable to other lifetime ISAs and charges applicable to longer-term savings products.</td>
</tr>
</tbody>
</table>

3.4 R The explanations in COBS 14 Annex 1 3.3R(2) and COBS 14 Annex 1 3.3R(3) must include a statement that lifetime ISA charges taken into account in the table:

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>(1)</td>
<td>may vary over time; and</td>
</tr>
<tr>
<td>(2)</td>
<td>exclude any fee or charge:</td>
</tr>
<tr>
<td>(a)</td>
<td>payable by or on behalf of a retail client to a firm in relation to the provision of a personal recommendation by the firm in respect of the lifetime ISA; and</td>
</tr>
<tr>
<td>(b)</td>
<td>relating to the qualifying investments held in the lifetime ISA (including in relation to the provision of a personal recommendation in respect of those investments).</td>
</tr>
</tbody>
</table>
3.5 R This table belongs to COBS 14 Annex 1 3.2R.

<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>Age saving in a lifetime ISA started</td>
<td>Total amount paid in by lifetime ISA saver/investor</td>
<td>Total amount paid in, plus lifetime ISA government bonus</td>
<td>Estimated outcome at age 60 from 0% return</td>
<td>Estimated outcome at age 60 from x% return</td>
<td>Charges and estimated inflation would reduce a x% return to</td>
</tr>
<tr>
<td>£</td>
<td>£</td>
<td>£</td>
<td>£</td>
<td>%</td>
<td></td>
</tr>
<tr>
<td>18</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>25</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>30</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>35</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>40</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

3.6 R In preparing the table in COBS 14 Annex 1 3.5R, firms must:

1. Round all sterling amounts down to the nearest whole pound.
2. Complete Column 2 on the basis of:
   a. the retail client attaining each age listed in Column 1 in the tax year in respect of which the retail client is proposing to make a lifetime ISA subscription; and
   b. a maximum annual lifetime ISA subscription being made on 6 April of that tax year and each subsequent tax year, up to and including the tax year in which the retail client would reach age 50 (based on each assumed age in (a)).
3. Complete Column 3 on the basis of:
   a. subscriptions as calculated in Column 2; and
   b. receipt by the retail client of the lifetime ISA government bonus on:
      i. 5 April 2018 for the tax year 2017/18 (where relevant); and
      ii. 6 April of each subsequent tax year, up to and
including the tax year in which the *retail client* would reach age 50 (based on each assumed age in 2(a)).

(4) Complete Columns 4 and 5 on the basis of:

(a) investment of the *retail client’s* assumed subscriptions and the *lifetime ISA government bonus*, as calculated for the purposes of Columns 2 and 3;

(b) (for Column 4) a nominal annual rate of return of 0%;

(c) (for Column 5) a nominal annual rate of return equal to the maximum intermediate rate of return ‘x’ given in *COBS 13 Annex 2 2.3R*; and

(d) the outcome in sterling in real terms:

(i) based on the nominal annual rate of return in the relevant column;

(ii) net of the intermediate rate of price inflation given in *COBS 13 Annex 2 2.5R*;

(iii) net of the effect of any *lifetime ISA charges*; and

(iv) compounded annually at the end of each tax year, up to and including the tax year in which the *retail client* would reach age 60 (based on each assumed age in 2(a)).

(5) Complete Column 6 on the basis of a percentage rate ‘y’ (rounded to the nearest tenth of 1%), where ‘y’ is the annual rate of return which must be applied to each amount shown in Column 3 and compounded annually over the relevant period to achieve the sterling amount shown in Column 5.

### 4 Projections

4.1 R Where a *firm* chooses to provide a *projection*, including a *personal projection*, in relation to investing in a *lifetime ISA* in addition to the information in *COBS 14 Annex 1 3* (Example outcome of retirement saving by a retail client in a lifetime ISA), a *firm* must ensure that:

(1) the information in COBS 14 Annex 1 3 is displayed at least as prominently as the *projection*;

(2) where a *firm* that communicates a *projection* for a *lifetime ISA* in relation to its *MiFID or equivalent third country business*, the *projection* complies with the future performance rule in *COBS 4.6.7R*; and
(3) where a firm that communicates a projection for a lifetime ISA which is not in relation to its MiFID or equivalent third country business, the projection must be either a standardised deterministic projection or a stochastic projection in accordance with COBS 13 Annex 2.

5 Qualifying investments

5.1 G The information which a firm provides to a retail client in accordance with this Annex is intended to inform the retail client about the implications of that retail client saving and/or investing in a lifetime ISA (as opposed to saving and/or investing outside a wrapper or in a different wrapper or pension wrapper). A firm must still take into account and comply with any other requirements of this sourcebook in connection with the sale by the firm of qualifying investments to be held in a lifetime ISA.

Amend the following as shown.

15 Cancellation

... 15.2 The right to cancel

Cancellable contracts

15.2.1 R A consumer has a right to cancel any of the following contracts with a firm:

<table>
<thead>
<tr>
<th>Cancellable contract</th>
<th>Cancellation period</th>
<th>Supplementary provisions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Life and pensions:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• a life policy (including a pension annuity, a pension policy or within a wrapper)</td>
<td>30 calendar days</td>
<td>For a life policy effected when opening or transferring a wrapper, the 30 calendar day right to cancel applies to the entire arrangement</td>
</tr>
<tr>
<td>• a contract to join a personal pension scheme or a stakeholder pension scheme</td>
<td></td>
<td>For a contract to buy a unit in a regulated collective investment scheme within a pension wrapper, the cancellation right for 'non-life/pensions (advised but not at a distance)' below may</td>
</tr>
<tr>
<td>Section</td>
<td>Description</td>
<td></td>
</tr>
<tr>
<td>------------------------------------------------------------------------</td>
<td>-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------</td>
<td></td>
</tr>
<tr>
<td>pension scheme or stakeholder pension scheme by exercising, for the first time, an option to make income withdrawals;</td>
<td>apply Exemptions may apply (see COBS 15 Annex 1)</td>
<td></td>
</tr>
</tbody>
</table>

**Lifetime ISAs (advised but not at a distance):**

<table>
<thead>
<tr>
<th>Type and Contract</th>
<th>Time Limit</th>
<th>Rights Arise</th>
</tr>
</thead>
<tbody>
<tr>
<td>• a non-distance contract to open or transfer a lifetime ISA</td>
<td>30 calendar days</td>
<td>These rights arise only following a personal recommendation of the contract (by the firm or any other person).</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Exemptions may apply (see COBS 15 Annex 1)</td>
</tr>
</tbody>
</table>

**Cash deposit ISAs:**

<table>
<thead>
<tr>
<th>Type and Contract</th>
<th>Time Limit</th>
<th>Rights Arise</th>
</tr>
</thead>
<tbody>
<tr>
<td>• a contract for a cash deposit ISA</td>
<td>14 calendar days</td>
<td>Exemptions may apply (see COBS 15 Annex 1)</td>
</tr>
</tbody>
</table>

**Non-life/pensions (advised but not at a distance):**

<table>
<thead>
<tr>
<th>Type and Contract</th>
<th>Time Limit</th>
<th>Rights Arise</th>
</tr>
</thead>
<tbody>
<tr>
<td>• to buy a unit in a regulated collective investment scheme (including within a wrapper or pension wrapper)</td>
<td>14 calendar days</td>
<td>These rights arise only following a personal recommendation of the contract (by the firm or any other person).</td>
</tr>
<tr>
<td>• to open or transfer a child trust fund (CTF)</td>
<td></td>
<td>For a unit bought when opening or transferring a wrapper or pension wrapper, the 14 calendar day right to cancel applies to the entire arrangement.</td>
</tr>
<tr>
<td>• to open or transfer an ISA (other than a lifetime ISA)</td>
<td></td>
<td>Exemptions may apply (see COBS 15 Annex 1).</td>
</tr>
<tr>
<td>• for an Enterprise Investment Scheme</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Non-life/pensions (at a distance):**

<table>
<thead>
<tr>
<th>Type and Contract</th>
<th>Time Limit</th>
<th>Rights Arise</th>
</tr>
</thead>
<tbody>
<tr>
<td>• accepting deposits</td>
<td>14 calendar days</td>
<td>Exemptions may apply (see COBS 15 Annex 1)</td>
</tr>
<tr>
<td>• designated investment business</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• issuing electronic money</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

...
15.3  Exercising the right to cancel

Record keeping

15.3.4  The firm must make adequate records concerning the exercise of a right to cancel or withdraw and retain them:

(1) indefinitely in relation to a pension transfer, pension opt-out or FSAVC;

(2) for at least five years in relation to a life policy, pension contract, personal pension scheme, or stakeholder pension scheme or lifetime ISA; and

(3) for at least three years in any other case.

15.4  Effects of cancellation

Payment for the service provided before cancellation

15.4.2  This rule applies in relation to a distance contract that is not a life policy, personal pension scheme, cash deposit ISA, cash-only lifetime ISA or CTF.

(2) When the consumer exercises his their right to cancel he they may be required to pay, without any undue delay, for the service actually provided by the firm in accordance with the contract. The performance of the contract may only begin after the consumer has given his their approval. The amount payable must not:

(a) exceed an amount which is in proportion to the extent of the service already provided in comparison with the full coverage of the contract; and

(b) in any case be such that it could be construed as a penalty.

(3) The firm may not require the consumer to pay any amount on the basis of this rule unless it can prove that the consumer was duly informed about the amount payable, in conformity with the distance marketing disclosure rules. However, in no case may the firm require such payment if it has commenced the performance of the contract before the expiry of the cancellation period without the consumer’s prior request.
15 Exemptions from the right to cancel

Annex 1

<table>
<thead>
<tr>
<th>1.9</th>
<th>R</th>
<th>There is no right to cancel a non-distance contract:</th>
</tr>
</thead>
<tbody>
<tr>
<td>(1)</td>
<td></td>
<td>to open or transfer an ISA (mini or maxi and including all components whatever the underlying investment, but not a cash deposit ISA or an ISA containing a life policy); or</td>
</tr>
<tr>
<td>(2)</td>
<td></td>
<td>to open or transfer a CTF; or</td>
</tr>
<tr>
<td>(3)</td>
<td></td>
<td>[deleted]</td>
</tr>
<tr>
<td>(4)</td>
<td></td>
<td>for an EIS;</td>
</tr>
</tbody>
</table>

provided that:

| (5) |   | (for an EIS or ISA which is not a lifetime ISA) the right to cancel is replaced with a seven calendar day, pre-contract right to withdraw the consumer's offer; or |
| (5A)|   | (for a lifetime ISA) the right to cancel is replaced with a fourteen calendar day, pre-contract right to withdraw the consumer's offer; or |
| (6) |   | the contract relates to an EIS or a non-packaged product ISA (which is not a lifetime ISA) or CTF and is entered into following an explanation that neither a right to cancel nor a right to withdraw will apply given in accordance with the relevant rules on pre-contractual disclosure; or |
| (7) |   | (for an ISA or EIS) the contract entered into is a second or subsequent ISA or EIS on substantially the same terms (such as mini-to-mini ISA or maxi-to-maxi ISA) as an ISA or EIS purchased from the same ISA manager or EIS manager in the previous tax year. |
Annex C

Amendments to the Banking Conduct of Business sourcebook (BCOBS)

In this Annex, underlining indicates new text.

2 Communications with banking customers and financial promotions

2.4 Structured deposits, cash deposit ISAs and cash deposit CTFs

2.4.2 G If a financial promotion relates to a cash deposit ISA, cash-only lifetime ISA or cash deposit CTF, COBS 4.7.1R (Direct offer financial promotions) also applies.

4 Information to be communicated to banking customers

4.1 Enabling banking customers to make informed decisions

4.1.2 G …

(2A) …

(c) In the case of a savings account that is a cash deposit ISA, cash-only lifetime ISA or a cash deposit CTF, the firm may include the summary box in a key features document provided to the banking customer in line with the rules and guidance in COBS 13 and COBS 14.

(d) In preparing the summary box, a firm should have regard to the provisions of BCOBS 2.2A.1R as if they were guidance.

…

4.1.7 G If the retail banking service is a cash deposit ISA, cash-only lifetime ISA or a cash deposit CTF, the rules in COBS 13.1 (Preparing product information) and COBS 14.2 (Providing product information to clients) also apply.

…

6 Cancellation
6.1 The right to cancel

Introduction

6.1.1 R Except as provided for in BCOS 6.1.2R, a banking customer has a right to cancel a contract for a retail banking service (including a cash deposit ISA but excluding a cash-only lifetime ISA) without penalty and without giving any reason, within 14 calendar days.

[Note: article 6(1) of the Distance Marketing Directive in relation to distance contracts]

...

6.1.3 G …

6.1.3A G Firms are reminded that the cancellation rules in COBS 15 apply to the cancellation by a banking customer of a cash-only lifetime ISA.

...
Annex D

Amendments to the Client Assets sourcebook (CASS)

In this Annex, underlining indicates new text.

7 Client money rules

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7.10 Application and purpose

7.10.1 R This chapter applies to a firm that receives money from or holds money for, or on behalf of, a client in the course of, or in connection with, its:

... 

(4) innovative finance ISA business; and/or

(5) lifetime ISA business.

unless otherwise specified in this section.

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