

**CONDUCT OF BUSINESS SOURCEBOOK (PENSION PROJECTIONS)
INSTRUMENT 2017**

Powers exercised

- A. The Financial Conduct 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 137A (The FCA’s general rules);
 - (b) section 137T (General supplementary powers); and
 - (c) section 139A (Power of the FCA to give guidance); and
 - (2) the other powers and related provisions listed in Schedule 4 (Powers exercised) to the General Provisions of the Handbook.
- 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 as follows: Part 1, 24 July 2017; Part 2, 6 April 2018.

Amendments to the Handbook

- D. The Glossary of definitions is amended in accordance with Annex A to this instrument.
- E. The Conduct of Business sourcebook (COBS) is amended in accordance with Annex B to this instrument.

Citation

- F. This instrument may be cited as the Conduct of Business Sourcebook (Pension Projections) Instrument 2017.

By order of the Board
20 July 2017

Annex A

Amendments to the Glossary of definitions

Insert the following new definition in the appropriate alphabetical position.

Part 2: Comes into force 6 April 2018

[*Editor's note:* the Department for Work and Pensions is planning to make the Pension Schemes Act 2015 (Transitional Provisions and Appropriate Independent Advice) (Amendment) Regulations 2017. Once made and in force, Regulation 6 of the 2017 Regulations will insert a new Regulation 8A into the Pension Schemes Act 2015 (Transitional Provisions and Appropriate Independent Advice) Regulations 2015 (SI 2015/742). The reference to Regulation 8A in the definition of safeguarded-flexible benefits risk warning assumes that Regulation 8A has been inserted by the planned 2017 Regulations.]

<i>safeguarded-flexible benefits risk warning</i>	A written communication to a member of a <i>personal pension scheme</i> or <i>stakeholder pension scheme</i> which is required by Regulation 8A of the Pension Schemes Act 2015 (Transitional Provisions and Appropriate Independent Advice) Regulations 2015 (SI 2015/742).
---	--

Annex B

Amendments to the Conduct of Business sourcebook (COBS)

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

Part 1: Comes into force 24 July 2017

13 Preparing Product Information

...

13 Projections Annex 2

This annex belongs to *COBS* 13.4.1R (Contents of a key features illustration), *COBS* 13.5.1R (Projections for in-force products) and *COBS* 13.5.2R (Projections: other situations).

...

3.4 G When providing an additional projection for an annuity with a *guaranteed annuity rate*, a firm should:

(1) ~~show the projection at the earliest age at which it can be taken;~~
[deleted]

(2) ...

...

...

Part 2: Comes into force 6 April 2018

...

1.9 R The *rules* in this Annex do not apply to:

(1) a projection for an in force product which is consistent with the statutory money purchase illustration requirements; and

(2) a safeguarded-flexible benefits risk warning.

...