

HANDBOOK ADMINISTRATION (No 50) INSTRUMENT 2019

Powers exercised

- A. The Financial Conduct Authority (“the FCA”) makes this instrument in the exercise of the following powers and related provisions in the Financial Service and Markets Act 2000 (the “Act”):
- (1) section 137A (The FCA’s general rules);
 - (2) section 137R (Financial promotion rules); and
 - (3) section 137T (General supplementary powers).
- B. The rule-making powers listed above are specified for the purposes of section 138G (Rule-making instruments) of the Act.

Commencement

- C. This instrument comes into force on 26 July 2019.

Amendments to the Handbook

- D. The Conduct of Business sourcebook (COBS) is amended in accordance with the Annex to this instrument.

Citation

- E. This instrument may be cited as the Handbook Administration (No 50) Instrument 2019.

By order of the Board
25 July 2019

Annex

Amendments to the Conduct of Business sourcebook (COBS)

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

4 Communicating with clients, including financial promotions

...

4.7 Direct offer financial promotions

Application

4.7.-2 R This section (other than COBS 4.7.-1AEU to COBS 4.7.-1DG) does not apply in relation to a communication:

- (1) to the extent that it is an *excluded communication*;
- (2) to the extent that it is a prospectus advertisement to which article 22 of the *Prospectus Regulation* applies;
- (3) if it is *image advertising*;
- (4) to the extent that it relates to a *deposit that is not a cash deposit ISA, cash-only lifetime ISA or cash deposit CTF*;
- (5) to the extent that it relates to a *pure protection contract that is a long-term care insurance contract*.

4.7.-1 G ...

- (2) In broad terms:
 - (a) *COBS 4.7.-1AEU is relevant to a firm communicating a direct offer financial promotion in relation to its MiFID, equivalent third country or optional exemption business; and*
 - (b) *COBS 4.7.1R is relevant to a firm communicating a direct offer financial promotion that does not relate to its MiFID, equivalent third country or optional exemption business; and*
 - (c) *the application of the other operative provisions in this section is not affected by reference to MiFID, equivalent third country or optional exemption business.*

...

...

Other direct offer financial promotions

4.7.1 R ...

- (3) This ~~section~~ *rule* does not apply in relation to a marketing communication that relates to a *firm's MiFID, equivalent third country or optional exemption business*.
- (4) ~~This section does not apply in relation to a communication:~~ [deleted]
- (a) ~~to the extent that it is an *excluded communication*;~~
 - (b) ~~to the extent that it is a prospectus advertisement to which article 22 of the *Prospectus Regulation* 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*.~~

...