

October 2005

05/14★ *newsletter*



This newsletter provides a summary of CP05/14. Please see 'Who should read this paper?' below to see if CP05/14 is relevant to you.

Financial Services Authority

Quarterly consultation

(No. 6)

October 2005

Why are we issuing this paper?

Every three months, we issue a Quarterly Consultation Paper (QCP) to consult on the minor changes we propose making to our rules.

In this QCP, we invite comments on amendments to:

- various modules of the Handbook in order to collate Handbook rules and guidance on regulatory fees and levies into a single manual called the *Fees manual*. To the extent that some of the proposed changes involve the Financial Ombudsman Service (FOS) exercising its own rule-making powers, this consultation is also made by the FOS;
- the *Integrated Prudential sourcebook*, the *Interim Prudential sourcebook for Insurers* and the *Lloyd's sourcebook* to ensure sufficient transparency in financial returns regarding financial reinsurance agreements;
- the *Integrated Prudential sourcebook* and the *Supervision manual* regarding the inclusion of unaudited reserves and unverified interim profits within firms' capital resources and RMAR;
- the *Insurance: Conduct of Business sourcebook* to make miscellaneous clarifications and corrections, including regarding the provision of information to the customers of general insurance firms;

- the *Insurance: Conduct of Business sourcebook* regarding the sale of Pension Term Assurance;
- the *Collective Investment Schemes sourcebook* and the *New Collective Investment Schemes sourcebook* to implement miscellaneous changes, including consequential changes following the introduction of the Open-Ended Investment Companies (Amendment) Regulations 2005; and
- the *Perimeter Guidance manual* to set out our views on the extent to which property investment clubs may be collective investment schemes.

Should consumers read this paper?

The proposed amendments in Chapter 6 may be of particular interest to retail consumers and consumer groups.

The remaining amendments are largely technical amendments, clarifications and corrections and are, on the whole, unlikely to have a direct impact on consumers.

How is this paper set out?

We describe each amendment in a separate chapter. Each chapter includes an explanation of the proposed amendment, a statement of purpose, a cost benefit analysis (if necessary) and a compatibility statement. The appendices to this CP contain the actual text of the proposed amendments.

What happens next?

The deadline for comments on these amendments is 7 December 2005, except for those amendments proposed in Chapter 2. The deadline for comments on the amendments in Chapter 2 is 18 November 2005.

The Financial Services Authority invites comments on this Consultation Paper. The Financial Ombudsman Service Limited also invites comments on the proposals in Chapter 2 to the extent that these involve amendments to its rules, standard terms and guidance. Both the Financial Services Authority and the Financial Ombudsman Service Ltd will receive copies of all responses relating to fees and levies for the Financial Ombudsman Service. Please note that the consultation period for the proposed amendments in Chapter 2 is six weeks. Comments on these amendments should reach us by 18 November 2005. Comments on the proposed amendments in the remaining chapters should reach us by 7 December 2005.

You can submit your comments electronically using the form on our website (at www.fsa.gov.uk/pubs/cp/cp05_14_response.html). Or you can respond by email: cp05_14@fsa.gov.uk

If you wish to respond by letter, please send your comments to the person named at the end of each chapter and set out below:

Chapter 2: Faridah Pullara	Tel: 020 7066 1032 or Fax: 020 7066 1033
Chapter 3: William Hewitson	Tel: 020 7066 0152 or Fax: 020 7066 0153
Chapter 4: Rory Vaughan	Tel: 020 7066 1690 or Fax: 020 7066 1691
Chapter 5: Jenny Frost	Tel: 020 7066 3134 or Fax: 020 7066 3135
Chapter 6: Melissa Sauer	Tel: 020 7066 3158 or Fax: 020 7066 3159
Chapter 7: Mark Glibbery	Tel: 020 7066 0594 or Fax: 020 7066 0595
Chapter 8: Richard Bennett	Tel: 020 7066 3336 or Fax: 020 7066 0031

If you are responding in writing to several chapters, please send your comments to Nick Walker in General Counsel's Division, who will allocate your response as appropriate.

All responses to the above people should be sent to:

Financial Services Authority
25 The North Colonnade
Canary Wharf
London
E14 5HS

It is our policy to make all responses to formal consultation available for public inspection, unless the respondent requests otherwise. We will not regard a standard confidentiality statement in an email message as a request for non-disclosure.

How can I get the full paper?

You can download the full Consultation Paper from:
www.fsa.gov.uk/pages/Library/Policy/CP/2005/05_14.shtml

Or you can order hard copies of the paper:
Phone our helpline on 0845 608 2372, quoting reference CP05/14

Order online at: www.tso.co.uk/bookshop/bookstore.asp?FO=1159966&DI=510776
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The Financial Services Authority 25 The North Colonnade Canary Wharf London E14 5HS
Main switchboard: 020 7066 1000 Fax: 020 7066 1099