

July 2008

# 08 / 12

*newsletter* ★



This newsletter provides a summary of CP08/12. Please see the section ‘Who should read this paper?’ to see if CP08/12 is relevant to you.

Financial Services Authority

## Quarterly consultation (No. 17)

### Why are we issuing the Consultation Paper?

Every three months, we issue a Quarterly Consultation Paper (QCP) on the minor changes we propose making to our rules. In the July QCP, we are asking for your comments on our proposed amendments to:

- the Glossary of definitions, in order to amend the definition of ‘preference share’ in the context of the General Prudential sourcebook (GENPRU);
- the Fees manual to provide for application fees for part of 2008/09 for recognition as an Approved Reporting Mechanism, a new connection fee for entities report transactions directly to the FSA, and special project fees in relation to the internal model regime under Solvency II;
- the Glossary, GENPRU, the Insurance Prudential sourcebook (INSPRU), the Interim Prudential sourcebook for Insurers (IPRU(INS)) and the Interim Prudential sourcebook for Friendly Societies (IPRU(FSOC)), in relation to asset reporting in the FSA returns and clarifications of our rules and guidance;
- the Prudential sourcebook for Banks, Building Societies and Investment Firms (BIPRU), in relation to the market risk capital requirements for BIPRU firms;

- the Conduct of Business sourcebook (COBS), in order to amend the record-keeping rule for inducements;
- the Conduct of Business sourcebook (COBS), in relation to the disclosure requirements relating to income withdrawals from existing personal pension schemes;
- the Collective Investment Schemes sourcebook (COLL), in relation to a proposed amendment regarding reduction in yield information in the Simplified Prospectus;
- the Collective Investment Schemes sourcebook (COLL), in relation to the rules on concentration and acquisition of units;
- the Glossary and the Supervision manual (SUP), to clarify the way that firms undertaking designated investment business should determine their investment business prudential category, and to include prudential categories for firms subject to the requirements of the Prudential sourcebook for Mortgage and Home Finance Firms, and Insurance Intermediaries (MIPRU);
- the Dispute Resolution: Complaints sourcebook (DISP), to amend the rules on complainant eligibility so that complaints can be made about debt administration services;
- the Listing Rules sourcebook (LR), in relation to the sponsor regime.

## Who should read the paper?

The proposals in Chapter 11 will be of particular interest to consumers.

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 the 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 the CP contain the actual text of the proposed amendments.

The proposals in Chapter 11 (with its corresponding Appendix) form a joint consultation with the Financial Ombudsman Service.

## What happens next?

The deadline for comments on these amendments is 9 September 2008, except for Chapter 11 and part of Chapter 3 – and their corresponding Appendices – where the deadline is 9 August 2008.

The Financial Services Authority invites comments on this Consultation Paper.

Comments on all the proposed amendments should reach us by 9 September 2008, except for Chapter 11, and part of Chapter 3, and their corresponding Appendices, where the deadline is 9 August 2008.

You can submit your comments electronically using the form on our website (at [www.fsa.gov.uk/pubs/cp/cp08\\_12\\_response.html](http://www.fsa.gov.uk/pubs/cp/cp08_12_response.html)).

Or you can respond by email: [cp08\\_12@fsa.gov.uk](mailto:cp08_12@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: Joshua Everson	Telephone: 020 7066 4254 or Fax: 020 7066 4255
Chapter 3: Simret Parmar	Telephone: 020 7066 1896 or Fax: 020 7676 1897
Chapter 4: Trevor Cooke	Telephone: 020 7066 9004 or Fax: 020 7066 9005
Chapter 5: Simon Dixon	Telephone: 020 7066 1698 or Fax: 020 7066 1699
Chapter 6: Ndidi Njoku	Telephone: 020 7066 7386 or Fax: 020 7066 5143
Chapter 7: Tim Shakesby	Telephone: 020 7066 5178 or Fax: 020 7066 5179
Chapter 8: Gordon Mead	Telephone: 020 7066 7476 or Fax: 020 7066 7477
Chapter 9: Matthew Cherrill	Telephone: 020 7066 1778 or Fax: 020 7066 1779
Chapter 10: Rory Vaughan	Telephone: 020 7066 1690 or Fax: 020 7066 1691
Chapter 11: James Sergeant	Telephone: 020 7066 7304 or Fax: 020 7066 7305
Chapter 12: Helen Butterworth	Telephone: 020 7066 8258 or Fax: 020 7066 8256

If you are responding in writing to several chapters, please send your comments to Roslyn Anderson in Strategy and Risk Division, who will pass your response on 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. A standard confidentiality statement in an email message will not be regarded 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/2008/08\\_12.shtml](http://www.fsa.gov.uk/pages/Library/Policy/CP/2008/08_12.shtml)

Or you can order hard copies of the paper:

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