

September 2007

07 / 2

newsletter



This newsletter provides a summary of DP07/2. Please see the section 'Who should read this paper?' to see if DP07/2 is relevant to you.

Financial Services Authority

The responsibilities of providers, distributors and platform providers for the fair treatment of customers where a platform is used in the supply of a product

Why are we issuing the Discussion Paper?

The paper is an additional chapter to Discussion Paper 07/02 – 'Platforms: the role of wraps and fund supermarkets'. It is a supplement to our Guidance on the responsibilities of providers and distributors for the fair treatment of customers (the Guide).

What is the background to this?

In the Guide, we set out our view on what the Principles for Businesses and detailed rules expect of providers and distributors to treat customers fairly. We have since acknowledged there may be additional complexities in interpreting the Guide where there is a platform. So in the additional chapter to Discussion Paper 07/2, we consider how the Guide applies in this situation.

Who should read the paper?

The document is mainly targeted at platform providers and providers of investment products who distribute products through platforms.

It is less relevant to distributors, although it does have some relevance to them.

Is this of interest to consumers?

We do not expect consumers to be interested in the paper.

How is the paper set out?

This paper is in three parts:

- First, we discuss the responsibilities of providers and distributors where there is a platform in the distribution chain.
- Second, we discuss the responsibilities of the 'platform provider' under the Principles.
- Third, we discuss whether it may be appropriate, in certain circumstances, for the platform provider to request treatment for itself from the product provider as a retail customer so as to bring the product provider within the ambit of Principle 6.

What are the next steps?

We are asking for your comments – in particular on the questions set out at the end of the paper – by 31 December 2007.

The Financial Services Authority invites comments on this Discussion Paper. Please send us your comments to reach us by 31 December 2007.

Comments may be sent by electronic submission using the form on the FSA's website at (www.fsa.gov.uk/Pages/Library/Policy/DP/2007/dp07_02_response.shtml).

Alternatively, please send comments in writing to:

Daniel Sheridan
TCF Central Team
Financial Services Authority
25 The North Colonnade
Canary Wharf
London E14 5HS

Telephone: 020 7066 9810
Fax: 020 7066 9811
E-mail: dp07_02@fsa.gov.uk

It is the FSA's policy to make all responses to formal consultation available for public inspection unless the respondent requests otherwise. A standard confidentiality statement in an e-mail message will not be regarded as a request for non-disclosure.

A confidential response may be requested from us under the Freedom of Information Act 2000. We may consult you if we receive such a request. Any decision we make not to disclose the response is reviewable by the Information Commissioner and the Information Tribunal.

How can I get the full paper?

You can download the full Discussion Paper from:

www.fsa.gov.uk/pages/Library/Policy/DP/2007/07_02.shtml

Or you can order hard copies of the paper:

Phone our helpline on **0845 608 2372**, quoting reference **DP07/2**

Copies are available at **£10** each. Please allow five working days for delivery.

We also have a targeted email alert service for all FSA newsletters.

To subscribe please visit: www.fsa.gov.uk/pages/Doing/Contact/Register/index.shtml

For more information on our publications, please go to:

www.fsa.gov.uk/Pages/library/index.shtml

To get the latest information online, please visit our home page:

www.fsa.gov.uk

The Financial Services Authority 25 The North Colonnade Canary Wharf London E14 5HS
Main switchboard: 020 7066 1000 Fax: 020 7066 1099