

PLANNED REVISED STRUCTURE FOR COBS (22/05/2006)

A planned revised structure for the Conduct of Business Sourcebook (COBS) will take effect in November 2007 at the same time as we implement the Markets in Financial Instruments Directive (MiFID). The table below sets out the planned revised structure, together with the theme and main contents of each chapter. It represents work in progress so should not be regarded as exhaustive or final. As our work on COBS continues, some elements may move between chapters, some may be deleted and some may be created.

Chapter	Title	Content	FSA policy contact
1.	Application and purpose	Provisions on application and purpose (detailed material contained in Appendix 1)	-
2.	Conduct of business obligations	General function of COB sourcebook	Jean Cooper
		Link to PRIN and UCPD obligations	Jean Cooper
		Unfair terms in consumer contracts	Jean Cooper
		Inducements	Jeremy Clivaz
3.	Client categorisation	Client categorisation	Christopher Preston
4.	Communications to clients	High level and generally applicable rules for clear, fair and not misleading communications with clients	Paul Hunter
5.	Financial promotions	Rules relating to financial promotions	Paul Hunter
6.	Distance contracts	Information and other requirements of the DMD and ECD	Jean Cooper
7.	Preparing the Initial Disclosure Document (IDD), the menu and information on commission	Concepts of range, scope, independence etc	Richard Taylor
		Preparation of the IDD and the menu	Richard Taylor
		Calculation of commission and commission equivalent	Richard Taylor
8.	Providing information to	Information for clients	Richard Taylor

Chapter	Title	Content	FSA policy contact
	clients about a firm and its services	about the firm and the type of service it offers	
		Information requirements imposed by the IMD	Richard Taylor
		Information about a firm's fees and commission arrangements (including provision of the IDD and the menu)	Richard Taylor
9.	Client agreements	Client agreements / terms of business	Christopher Preston
10.	Identifying client needs and advising	Know your client	Jennifer Long
		Suitability	Jennifer Long
		Suitability letters	Jennifer Long
		Basic advice	Richard Taylor
		Provision of services through the medium of another firm	Christopher Preston
11.	Non-advised services	Appropriateness of non-advised services	Jennifer Long
		Execution-only business	Jennifer Long
12.	Dealing and managing	Best execution and order handling	Roseanne Harford
		Other dealing and managing	Christopher Preston
		Use of dealing commission	Jeremy Clivaz
13.	Investment research	Investment research	Jeremy Clivaz
14.	Preparing product information	Content, layout etc of product information, specifically KeyFacts documents	David Geale
15.	Providing product information to clients	How and when information is disclosed to clients including <ul style="list-style-type: none"> ▪ KeyFacts ▪ Actual charges / commission 	David Geale
16.	Cancellation	Cancellation rights and disclosure of cancellation information	Jean Cooper

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17.	Reporting information to clients	Periodic reporting	Christopher Preston
		Occasional reporting	Christopher Preston
18.	Claims handling and other post-sale requirements	Including claims handling for long-term care insurance	Jean Cooper
19.	Specialist wholesale regimes	Special regimes including <ul style="list-style-type: none"> ▪ Trustees / depositaries ▪ Collective investment schemes ▪ Lloyd's business 	Jeremy Clivaz
20.	With-profits	Treating with-profits policyholders fairly	Jean Cooper
		Communications with with-profits policyholders	Jean Cooper
21.	Pensions: supplementary provisions	Income withdrawals	Paul Hunter
		Pension transfers and opt-outs	Paul Hunter
		Open-market options	Paul Hunter
Appendix 1	Application and purpose	Detailed provisions on application and purpose	-
Appendix 2	Calculating projections and the effect of charges	Calculation of projections	David Geale
Schedules		Usual Schedules 1-6 as for all Handbook modules	-