

### LIST OF NON-LEGAL CORRECTIONS AND CLARIFICATIONS IN THE HANDBOOK

This document lists the minor corrections and clarifications that we have recently made to the Handbook, other than those made by Handbook Administration instrument. These changes are regarded as having no legal effect. None of these changes represents a change in policy.

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

Handbook reference	Text of change made	Reason for change	Published date of change						
Glossary	<p>material holdings</p> <p>(1) (for the purposes of ELM) a holding or position set out in <i>ELM 2.4.17 R</i> (Material holdings).</p> <p>(2) (for the purposes of <i>GENPRU</i> and <i>BIPRU</i>) has the meaning in <i>GENPRU 2.2.209R</i> (Deductions from tiers one and two <del><i>ELM 2.4.17 R</i></del>: Material holdings).</p>	Typographical error	20.1.11						
COMP 10.2.3R	<p>In column 3, first row, please delete the words "(see also below ...COMP 10.2.11R)"</p> <table border="0"> <tr> <td><b>Type of claim</b></td> <td><b>Level of cover</b></td> <td><b>Maximum payment</b></td> </tr> <tr> <td><i>Protected deposit</i></td> <td>100% of claim</td> <td>...</td> </tr> </table> <p><del>(see also below for building society and other mutual society mergers (COMP 10.2.10R) and protected deposit transfers under the special resolution regime (COMP 10.2.11R))</del></p>	<b>Type of claim</b>	<b>Level of cover</b>	<b>Maximum payment</b>	<i>Protected deposit</i>	100% of claim	...	Expired rule	20.1.11
<b>Type of claim</b>	<b>Level of cover</b>	<b>Maximum payment</b>							
<i>Protected deposit</i>	100% of claim	...							
COMP 10.2.10R	Please delete the whole provision, and the heading above it, and replace with "[deleted]" against the provision number.	Expired rule	20.1.11						
COMP 10.2.11R	Please delete the whole provision, and the heading above it, and replace with "[deleted]" against the provision number.	Expired rule	20.1.11						

GEN Sch 4.3	Table header: The following additional powers have been exercised by the FSA to make the rules <u>rules</u> in GEN:	BAU	20.1.11
ICOB 8.2.1R(3)	<del>[Note: article 1 of the Fourth Motor Insurance Directive and article 4(4)(4e) of the Fifth Motor Insurance Directive]</del> <del>[Note: article 20(1) of the Consolidated Motor Insurance Directive]</del>	Administrative updates	24.2.11
ICOB 8.2.3R(5)	<del>[Note: article 4(1), (4), and (5) of the Fourth Motor Insurance Directive]</del> <del>[Note: article 21(1), (4) and (5) of the Consolidated Motor Insurance Directive]</del>	Administrative updates	24.2.11
ICOB 8.2.5R(1)( a)	<del>[Note: article 5(2) of the Fourth Motor Insurance Directive]</del> <del>[Note: article 23(2) of the Consolidated Motor Insurance Directive]</del>	Administrative updates	24.2.11
ICOB 8.2.6R(2)	<del>[Note: article 4(6) of the Fourth Motor Insurance Directive and article 4(4)(4e, first paragraph) of the Fifth Motor Insurance Directive]</del> <del>[Note: article 22 of the Consolidated Motor Insurance Directive and article 3 of the Consolidated Motor Insurance Directive]</del>	Administrative updates	24.2.11
GEN Sch 4.10G	The following additional powers have been exercised by the FSA <u>FSA</u> to make the other guidance in GEN:	Administrative updates	25.2.11
FEES 3.1.2G	This chapter does not apply to:  (a) (1) an EEA firm that wishes to exercise an EEA right; or  (b) (2) an EEA authorised payment institution; or  (c) (3) an EEA authorised electronic money institution.	Administrative updates	25.2.11
PERG 15.2, Q8	Yes. If you are an electronic money issuer, you will be subject to the conduct of business requirements in the PSD regulations. The authorisation and registration regime applying to UK electronic money issuers is split between that imposed by the Act (see <u>PERG PERG 2.6.4A</u> ) and that imposed by the Electronic Money Regulations (see PERG 3A for guidance	Administrative updates	25.2.11

	<i>on the scope of the Electronic Money Regulations).</i>		
Glossary definition	<p>participant firm</p> <p>...</p> <p>(a) (in accordance with section 213(10) of the <i>Act</i> (The compensation scheme) and regulation 2 of the <i>Electing Participants Regulations</i> (Persons not to be regarded as relevant persons) an <del>incoming</del> <u>incoming</u> EEA firm which is:</p> <p>...</p>	Administrative updates	25.2.11
SYSC 10.1.2G	[ <del>Note: Recital</del> <u>recital</u> 25 of <i>MiFID implementing Directive</i> ]	Administrative updates	25.2.11
SYSC 10.1.3R	[ <del>Note: Article</del> <u>article</u> 18(1) of <i>MiFID</i> ]	Administrative updates	25.2.11
SYSC 10.1.4R	[ <del>Note: Article</del> <u>article</u> 21 of <i>MiFID implementing Directive</i> ]	Administrative updates	25.2.11
SYSC 10.1.5G	[ <del>Note: Recital</del> <u>recital</u> 24 of <i>MiFID implementing Directive</i> ]	Administrative updates	25.2.11
SYSC 10.1.6R	[ <del>Note: Article</del> <u>article</u> 23 of <i>MiFID implementing Directive</i> ]	Administrative updates	25.2.11
SYSC 10.1.7R	[ <del>Note: Article</del> <u>article</u> 13(3) of <i>MiFID</i> ]	Administrative updates	25.2.11
SYSC 10.1.8R	[ <del>Note: Article</del> <u>article</u> 18(2) of <i>MiFID</i> and <del>Article</del> <u>article</u> 22(4) of <i>MiFID implementing Directive</i> ]	Administrative updates	25.2.11
SYSC 10.1.9G	[ <del>Note: Recital</del> <u>recital</u> 27 of <i>MiFID implementing Directive</i> ]	Administrative updates	25.2.11

SYSC 10.1.10R	[ <del>Note: Article</del> <u>article</u> 22(1) of <i>MiFID implementing Directive</i> ]	Administrative updates	25.2.11
SYSC 10.1.11R	[ <del>Note: Article</del> <u>article</u> 22(2) and (3) of <i>MiFID implementing Directive</i> ]	Administrative updates	25.2.11
SYSC 10.1.12G	[ <del>Note: Recital</del> <u>recital</u> 26 of <i>MiFID implementing Directive</i> ]	Administrative updates	25.2.11
COBS 2.1.1	[ <del>Note: Article</del> <u>article</u> 19(1) of <i>MiFID</i> ]	Administrative updates	25.2.11
COBS 2.2.-1R	[ <del>Note: Article</del> <u>article</u> 19(3) of <i>MiFID</i> ]	Administrative updates	25.2.11
COBS 2.2.1R	[ <del>Note: Article</del> <u>article</u> 19(3) of <i>MiFID</i> ]	Administrative updates	25.2.11
TC Appendix 4E	Throughout this appendix there are instances of the incorrect use of the title “The Chartered Institute for Securities & Investment ...”. This is the correct title.  However sometimes it is wrongly shown as “The Chartered Institute for Securities <u>and</u> Investment” and sometimes as “The Chartered Institute for Securities & Investments” or “The Chartered Institute for Securities <u>and</u> Investments”. All to be corrected.	Administrative updates	25.3.11
PROF 4.1.3 (2)	(1) ... (2) ...  “...The register can be accessed via the Financial Services Authority website at <del>www.fsa.gov.uk/register</del> <u>www.fsa.gov.uk/register/home.do</u> .”	Administrative updates	27.5.11
EG 2.24	<del>DEPP 6.2.1(4)</del> <u>6.2.1G(4)</u>	Administrative updates	24.6.11

EG 8.3	In the course of its supervision and monitoring of a <i>firm</i> or as part of an enforcement action, the FSA may make it clear that it expects the <i>firm</i> to take certain steps to meet regulatory requirements. <del>In the vast majority of cases the FSA will seek to agree with a <i>firm</i> those steps the <i>firm</i> must take to address the FSA's concerns.</del> In the vast majority of cases the FSA will seek to agree with a <i>firm</i> those steps the <i>firm</i> must take to address the FSA's concerns. However, where the FSA considers it appropriate to do so, it will exercise its formal powers under section 45 of the <i>Act</i> to vary a <i>firm</i> 's permission to ensure such requirements are met. This may include where: ...	Administrative updates	24.6.11
EG 13.29	<b>Please renumber the provision starting</b> "Similarly, the FSA..." <b>to 13.29A, as there appears to be two provisions with the same number.</b>	Administrative updates	24.6.11
EG 15.6	(1) the nature and seriousness of any breach of rules and the effect of that breach: the rules are set out in SUP 3 (Auditors) and SUP 4 ( <del>Actuaries</del> <u>Actuaries</u> ), ...	Administrative updates	24.6.11
PR 1.2.1UK	... 86... (1) ... ... (b) the offer is made to or directed at fewer than 400 <u>150</u> persons, other than qualified investors, per EEA State; ...	Administrative updates	31.7.11
SUP 16.12.5R	(i) In row "Large exposures", in column " <i>Credit union</i> " amend entry as follows: "CQ; <del>CY</del> <u>CY</u> " (ii) In row "Liquidity (other than stock)" move text "CQ; CY" from final column (" <i>Dormant account fund operator</i> ...") to previous column " <i>Credit union</i> "	Administrative updates	1.8.11
SUP 16.12.22A R	(iii) Amend Note 1 as follows: "When submitting the completed <u>data item</u> required, a <i>firm</i> must use the format..."	Administrative updates	1.8.11

<p>COBS 14.2.14 R</p>	<p>(1) offer a <i>simplified prospectus</i> or an <del>EEA simplified prospectus scheme</del> to a <i>client</i>, that prospectus must be offered free of charge before the conclusion of the contract; or</p> <p>(2) provide a <i>key features document</i>, a <i>simplified prospectus</i>, an <del>EEA simplified prospectus scheme</del> or any other <i>document</i> or information to a <i>client</i>, the <i>document</i> or information must be provided free of charge and in good time before the <i>firm</i> carries on the relevant business; or</p> <p><b>scheme should not have been included in the instrumet: FSA 2011/39</b></p>	<p>Administrative note</p>	<p>N./A</p>
<p>DISP 1.1.10E</p>	<p>...</p> <p>(2) the <i>consumer awareness rules</i>, the <i>complaints handling rules</i> and the <i>complaints record rule</i>, as modified in (1), also apply where the services are provided from a <i>branch</i> in another <i>EEA</i> State (and any reference to <i>respondent</i> in the <i>consumer awareness rules</i> includes such a <i>branch</i>);</p>	<p>Administrative updates</p>	<p>1.7.11</p>

DISP 1 ANNEX 2	<i>firm in relation to complaints concerning MIFID business</i>	...	...	...	...	...	...		Administrative updates	1.7.11
	<i>UK UCITS management company in relation to complaints concerning collective portfolio management services in respect of a UCITS scheme or an EEA UCITS scheme provided under the freedom to provide cross border services-</i>	...	...	...	...	..	..			
COLL 6.6A.1 (2)	<i>COLL 6.6A.6R ((Strategies for the exercise of voting rights) also applies to a UK UCITS management company providing collective portfolio management services for an EEA UCITS scheme from a branch in another EEA State, as well as applying in accordance with (1).</i>								Administrative updates	1.7.11
COLL 7.7.6 (1)(e)	the role of the relevant <i>depositories</i> and <del>auditors</del> <u>auditors</u>								Administrative updates	1.7.11

<p>COLL Sch 2</p>	<table border="1"> <tr> <td data-bbox="443 204 645 416"> <p>COLL 6.12.3R</p> </td> <td data-bbox="645 204 846 416"> <p>Risk management process</p> </td> <td data-bbox="846 204 1048 416"> <p>Details in COLL 6.12.2 3R(2)(a) and (b) and any material alterations thereof</p> </td> <td data-bbox="1048 204 1249 416"> <p>On first use of process</p> </td> <td data-bbox="1249 204 1451 416"> <p>On a regular basis and at least annually</p> </td> </tr> </table>	<p>COLL 6.12.3R</p>	<p>Risk management process</p>	<p>Details in COLL 6.12.2 3R(2)(a) and (b) and any material alterations thereof</p>	<p>On first use of process</p>	<p>On a regular basis and at least annually</p>	<p>Administrative updates</p>	<p>1.7.11</p>
<p>COLL 6.12.3R</p>	<p>Risk management process</p>	<p>Details in COLL 6.12.2 3R(2)(a) and (b) and any material alterations thereof</p>	<p>On first use of process</p>	<p>On a regular basis and at least annually</p>				
<p>PERG 13.5</p>	<p><b>Q43 Are we right in thinking that MiFID does not apply to collective investment undertakings and their operators?</b></p> <p>...</p> <p>In the case of <i>UCITS management companies</i>, some MiFID provisions will apply to those who provide portfolio management services (other than <i>collective portfolio management</i>), investment advice or safekeeping and administration services in relation to units <i>units</i> to third parties, by virtue of article 5(4) <del>6(4)</del> <u>6.4</u> of the <i>UCITS Directive</i> (see Q6).</p>	<p>Administrative updates</p>	<p>1.7.11</p>					
<p>BIPRU 12.7.11R (2)</p>	<p>(1) ...</p> <p>(2) A <i>firm</i> must also ensure that it periodically realises, through the use of central bank liquidity facilities, a proportion of those of its assets which do not fall into <del>BIPRU 12.7.2R (1)</del> or <del>BIPRU 12.8.3G (2)</del> <u>BIPRU 12.7.2R(1) or (2)</u>.</p>	<p>Administrative updates</p>	<p>1.9.11</p>					
<p>SUP 16.12.22A R</p>	<p>...</p> <p>Note 11</p> <p><del>Only applicable to <i>firms</i> that have an IRB permission to use the IRB approach and BIPRU 4.</del> <u>Only applicable to a <i>firm</i> that is a <i>sole trader</i> or a <i>partnership</i>, when the report must be submitted by each <i>partner</i>.</u></p>	<p>Administrative updates</p>	<p>1.9.11</p>					



Glossary 'accredited bodies'	<p>...</p> <p>(a) ...</p> <p>(b) ...</p> <p>(c) ...</p> <p>(d) ...</p> <p>(e) ...</p> <p>(f) <u>The ifs School of Finance [Note: The ifs School of Finance acts through its Institute of Financial Services division]</u></p>	Administrative updates	1.10.11
Glossary definition: exposure	<p>(1) (in relation to a <i>firm</i> but subject to (2) and (3)) the maximum loss which the <i>firm</i> might suffer if:</p> <p>(a) a counterparty or a group of connected counterparties fail to meet their obligations; or</p> <p>(b) it realises assets or off-balance sheet positions.</p> <p>(2) (in accordance with Article 77 of the Banking Consolidation Directive and for the purposes of the calculation of the credit risk capital component and the counterparty risk capital component (including BIPRU 3 (Standardised credit risk), BIPRU 4 (The IRB approach), BIPRU 5 (Credit risk mitigation) and <i>BIPRU</i> 9 (Securitisation)) an asset or off-balance sheet item.</p>	Administrative updates	17.10.11

List last updated: **October 2011**

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