

HANDBOOK ADMINISTRATION (NO 32) INSTRUMENT 2013**Powers exercised by the Board of the Financial Conduct Authority**

- A. The Financial Conduct Authority makes this instrument in the exercise of the powers and related provisions listed in Schedule 4 (Powers exercised) to the General Provisions of the Handbook.
- B. The rule-making powers referred to above are specified for the purpose of section 138G(2) (Rule-making instruments) of the Financial Services and Markets Act 2000.

Commencement

- C. This instrument comes into force as follows:
- (1) Part 1 of Annex G (SUP) comes into force on 31 December 2013;
 - (2) Part 2 of Annex A (Glossary), Annex I (CREDS) and paragraph D of this instrument come into force on 1 February 2014;
 - (3) Part 3 of Annex A (Glossary), Part 2 of Annex B (PRIN), Part 2 of Annex C (SYSC), Annex D (GEN), Annex F (MCOB) and Annex I (CONC) come into force on 1 April 2014;
 - (4) the remainder of this instrument comes into force on 1 January 2014.

Amendments to the FCA's Handbook and related material

- D. The Credit Unions New sourcebook (CREDS) is renamed the Credit Unions sourcebook (CREDS).
- E. The modules of the FCA's Handbook of rules and guidance listed in column (1) below are amended in accordance with the Annexes to this instrument listed in column (2).

(1)	(2)
Glossary of definitions	Annex A
Principles for Businesses (PRIN)	Annex B
Senior Management Arrangements, Systems and Controls sourcebook (SYSC)	Annex C
General Provisions (GEN)	Annex D
Conduct of Business sourcebook (COBS)	Annex E
Mortgages and Home Finance: Conduct of Business sourcebook (MCOB)	Annex F
Supervision manual (SUP)	Annex G
Collective Investment Schemes sourcebook (COLL)	Annex H
Consumer Credit sourcebook (CONC)	Annex I
Credit Unions sourcebook (CREDS)	Annex J
Professional Firms sourcebook (PROF)	Annex K

Amendments to the material outside the Handbook

- F. The Perimeter Guidance manual (PERG) is amended in accordance with Annex L to this instrument.

Notes

- G. In the Annexes to this instrument, the “notes” (indicated by “**Note:**”) are included for the convenience of readers but do not form part of the legislative text.

Citation

- H. This instrument may be cited as the Handbook Administration (No 32) Instrument 2013.

By order of the Board of the Financial Conduct Authority
12 December 2013

Annex A

Amendments to the Glossary of definitions

In this Annex, underlining indicates new text and striking through indicates deleted text, unless otherwise stated.

Editor's Notes:

- (1) *This Annex splits all definitions which are currently shown as 'shared by both the PRA and the FCA into two versions, one for each regulator, where these have not already been split by previous instruments. The FCA version will be shown under the heading provided for below. Where a definition has not been previously split, the same definition text will appear in respect of both versions except where the FCA version is amended by this instrument or by other instruments. For the time being both versions will continue to be shown in the Handbooks of both regulators.*
- (2) *The change to "instrument constituting the fund" confirms the change which has already been made administratively to this definition.*

Part 1: Comes into force on 1 January 2014

In every definition in the Glossary currently badged with both "PRA" and "FCA" badges, the following text is inserted before the definition, if it has not already been inserted under a previous instrument:

(B) (in the FCA Handbook):

Amend the following as shown.

<i>AIFMD UK regulation</i>	the Alternative Investment Fund Managers Regulations 2013 (SI 2013/ ... <u>1773</u>).
<i>CREST</i>	the computer-based system which enables securities to be held and transferred in uncertificated form and which is operated by CrestCo Limited <u>Euroclear UK & Ireland Limited</u> .
<i>exchange traded product</i>	any of the following <i>investments</i> : <ol style="list-style-type: none"> (a) a <i>unit</i> or <i>share</i> in an exchange traded fund <u>open-ended investment company</u>, a <i>debt security</i> or a <i>contract for differences</i> which meets all of the following criteria: <ol style="list-style-type: none"> (i) it is traded <u>admitted to trading</u> on a <i>regulated market</i> or designated investment exchange <u>a market operated by a ROIE</u>;

...

- (b) a senior, unsubordinated *debt security* traded on a *regulated market* or ~~*designated investment exchange*~~ a market operated by a ROIE featuring no periodic coupon payments and whose return tracks the performance of a specific index or other benchmark (relating to any assets such as *shares*, *debentures*, *commodities* or currencies), minus applicable fees, whether or not featuring delta 1, inverse or leveraged exposure to the index or other benchmark being tracked.

excluded security

any of the following *investments*:

- (a) a *security* whereby the issuer's ability to fulfil its payment obligations to the investor, or the *investment returns received in connection with the security*, are wholly or predominantly linked to, contingent on, highly sensitive to or dependent on, the performance of or changes in the value of *shares*, *debentures* or *government and public securities*, whether or not such performance or changes in value are measured directly or via a market index or indices, and provided the relevant *shares* and *debentures* are not themselves issued by *special purpose vehicles*;
- (b) ...
- (c) a ~~*share in*~~ *security issued by an investment trust*;
- (d) a *share* in a *company* resident outside the *EEA*, where that *company* would qualify for approval as an *investment trust* by the Commissioners for HM Revenue and Customs under sections 1158 and 1159 of the Corporation Tax Act 2010 if resident ~~and listed~~ in the *United Kingdom*;
- ...
- (g) ... ;
- (h) a *security* issued by a *regulated collective investment scheme* other than a *qualified investor scheme*.

instrument constituting the fund

- (a) (in relation to an *ICVC*) the *instrument of incorporation*;
- (b) (in relation to an *AUT*) the *trust deed*;
- (ba) (in relation to an *EEA UCITS scheme*) the fund rules or instrument of incorporation of such a *scheme*;

- (bb) (in relation to an *ACS*) the *contractual scheme deed*;
 - ~~(b)~~ (for an *AIF* other than an *ICVC*, an *AUT* or an *ACS*) the (bc) fund rules, instrument of incorporation or other constituting documents of such an *AIF*;
 - (c) ...
- investment trust* a company ~~listed in the United Kingdom or another EEA State~~ which:
- (a) ...
 - (b) is resident in an *EEA State* other than the *United Kingdom* and would qualify for such approval if resident ~~and listed~~ in the *United Kingdom*.
- prudential context* (1) For the *FCA*, in relation to activities carried on by a *firm*, the context in which the activities have, or might reasonably be regarded as likely to have, a negative effect on:
- ...
 - (b) the ability of the *firm* to meet either:
 - (i) the “fit and proper” test in *threshold condition 5 2E and 3D* (Suitability); or
 - ...
 - ...

Part 2: Comes into force on 1 February 2014

CREDS the Credit Unions ~~New~~ sourcebook.

Part 3: Comes into force on 1 April 2014

Insert the following new definition in its appropriate alphabetical position. The text is not underlined.

refinance see the definition of *finance*.

Amend the following definitions as shown.

- associate* ...
- (2A) ...
- (i) ...
- (ii) a ~~relative~~ relative of P, P's spouse or P's civil partner;
- (iii) the spouse or civil partner of a ~~relative~~ relative of P or P's spouse or civil partner;
- ...
- ...
- consumer* (1) ...
- [**Note:** ... article 2 of the *E-Commerce Directive*, ~~and~~ article 4(11) of the *Payment Services Directive* and article 3 of the Consumer Credit Directive.]-
- ...
- customer* ...
- (5) (in relation to a *credit-related regulated activity*) an *individual* who enters, may enter or has entered into a *credit agreement* or a *consumer hire agreement*:
- ...
- (e) (in relation to *debt collecting*) a *person* within (i) to (iv) ...
- (i) an *individual* who is or has been the *borrower* under a *credit agreement*, or is or has been the ~~hirer~~ hirer under a *consumer hire agreement*, or is or has been the *borrower* under a *P2P agreement*;
- (ii) an *individual* who the *firm* treats as a ~~person~~ person within (i); and
- (iii) ...
- (iv) a *person* to whom the rights and duties of a *person* within (iii) have passed by ~~assignment~~ assignment or operation of law;
- (f) (in relation to *debt administration*) a *person*

within (i) to (iv) ...

- (i) ...
 - (ii) an *individual* who the *firm* treats as a ~~person~~ person within (i);
 - (iii) ...
 - (iv) a *person* to whom the rights and duties of a *person* within (iii) have passed by ~~assignment~~ assignment or operation of law;
- (g) ...
 - (h) (in relation to *providing credit references*) an *individual* about whom information relevant to the ~~individual's~~ individual's financial standing is or was, may be or may have been held by the *credit reference agency*.

linked transaction

has the meaning in article 60E of the *Regulated Activities Order*, in summary, a transaction is a linked transaction in relation to a *credit agreement* (“the principal agreement”) if:

...

- (4) one of the following conditions is satisfied:
 - (a) ...
 - (b) the principal agreement is a *borrower-lender* ~~supplier agreement~~ agreement and the transaction is *financed*, or to be *financed*, by the principal agreement;
 - (c) the following conditions are met:
 - (i) the other party is:
 - ...
 - (cc) a *person* who, in the negotiation of the transaction, is represented by a ~~credit broker~~ credit broker who is or was also a negotiator in negotiations for the principal agreement, or
 - ...

...

P2P agreement

(in relation to a *borrower*) in accordance with article 36H of the *Regulated Activities Order*, an agreement between one ~~person~~ *person* (“the borrower”) and another ~~person~~ *person* (“the lender”) by which the lender provides the borrower with credit (within the meaning of article 60L of the *Regulated Activities Order*) and in relation to which the borrower is an *individual* and either:

...

*restricted-use
credit agreement*

(1) ...

(2) (in *CONC*) a *credit agreement*:

...

(c) to *refinance* any existing indebtedness of the *borrower's*, whether to the ~~lender~~ *lender* or another *person*,

...

Annex B

Amendments to the Principles for Businesses (PRIN)

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

Part 1: Comes into force on 1 January 2014

Approach to client categorisation

- 1.2.2 G *Principles 6, 8 and 9 and parts of Principle 7, as qualified by PRIN 3.4.1R, apply only in relation to customers (that is, clients which are not eligible counterparties). The approach that a firm needs to take regarding categorisation of clients into customers and eligible counterparties will depend on whether the firm is carrying on designated investment business or other activities, as described in PRIN 1.2.3G and ~~PRIN 1.2.4G.~~*

Part 2: Comes into force on 1 April 2014

- 3.1.8 G The *Principles* will not apply to the extent that they purport to impose an obligation which is inconsistent with the *Payment Services Directive*, the Consumer Credit Directive or the *Electronic Money Directive*. ...

...

- 3.4.3 G ...
- (3) ... The definitions of *client* and *customer* in relation to those ~~regulated activities~~ regulated activities reflect the modified meaning of “consumer” ...

Annex C

Amendments to the Senior Management Arrangements, Systems and Controls sourcebook (SYSC)

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

Part 1: Comes into force on 1 January 2014

1 Annex 1 Detailed application of SYSC

...

Part 2	Application of the common platform requirements (SYSC 4 to 10)		
...			
2.6B	R	Subject to SYSC Annex 1 2.6CR, the <i>common platform requirements</i> do not apply to a <i>full-scope UK AIFM</i> of an <i>unauthorised AIF</i> except for:	
		...	
		(4)	SYSC 6.1.4AG <u>6.1.4-BG</u> ;
		...	
		(6)	SYSC 7.1.7BG <u>7.1.7BAG</u> ;
		...	
...			

Part 2: Comes into force on 1 April 2014

1 Annex 1 Detailed application of SYSC

...

Part 3	Tables summarising the application of the common platform requirements to different types of firm		
...			

...

Provision	COLUMN A	COLUMN A+	COLUMN A++	COLUMN B
SYSC 6	A	...	...	...
	...			

...				
SYSC 6.3.1R	...	...	...	Rule ... only where <u>the Money Laundering Regulations</u> apply ...
SYSC 6.3.2G	...	...	...	Guidance ... only where Money Laundering Regulations <u>the Money Laundering Regulations</u> apply ...
SYSC 6.3.3R	...	...	...	Rule ... only where <u>the Money Laundering Regulations</u> apply ...
SYSC 6.3.4G	...	...	...	Guidance ... only where <u>the Money Laundering Regulations</u> apply ...
SYSC 6.3.5G	...	...	...	Guidance ... only where <u>the Money Laundering Regulations</u> apply ...
SYSC 6.3.6G	...	...	...	Guidance ... only where <u>the Money Laundering Regulations</u> apply ...
SYSC 6.3.7G	...	...	...	Guidance ... only where <u>the Money Laundering Regulations</u> apply ...
SYSC 6.3.8R	...	...	...	Rule ... only where <u>the Money Laundering Regulations</u> apply to the <i>firm</i> . Rule does not apply to <u>a firm</u> ...
SYSC 6.3.9R	...	...	...	Rule ... only where <u>the Money Laundering Regulations</u> apply to the <i>firm</i> . Rule does not apply to <u>a firm</u> ...
SYSC 6.3.10G	...	...	...	Guidance ... only where <u>the Money Laundering Regulations</u>

				apply ...
SYSC 6.3.11G	...	...	...	Guidance ... only where <u>the</u> <i>Money Laundering Regulations</i> apply ...

Annex D

Amendments to the General Provisions (GEN)

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

Comes into force on 1 April 2014

4.3.8 G A *credit firm* which carries on the activity of *entering into a regulated credit agreement as lender*, in respect of an agreement to which articles 5 and 6 of the *Consumer Credit Directive* apply, is under an obligation to disclose pre-contract information in the form and to the extent required by the Consumer Credit (Disclosure of Information) Regulations 2010 (SI 2010/1013) ~~or the Consumer Credit (Disclosure of Information) Regulations (SI 2004/1481), as the case may be.~~ *Firms* which carry on *credit broking* may take on the same obligation. A *credit firm* must also ensure specified information is included in ~~credit agreements~~ credit agreements to which the *Consumer Credit Directive* applies in the form and to the extent required by the Consumer Credit (Agreements) Regulations 2010 (SI 2010/1014) ~~or the Consumer Credit (Agreements) Regulations 1983 (SI 1983/1553), as the case may be.~~

...

Schedule 4 Powers exercised

...

Sch 4.2G	The following powers and related provisions in or under the <i>Act</i> have been exercised by the <i>FCA</i> to make the <i>rules</i> in <i>GEN</i> :
	...
	Section 226A (Consumer credit jurisdiction)
	...

Annex E

Amendments to the Conduct of Business sourcebook (COBS)

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

4.11 Record keeping: financial promotion

4.11.1 R ...

- (2A) If a *firm* communicates or approves an invitation or inducement to participate in, acquire, or underwrite a *non-mainstream pooled investment* which is addressed to or disseminated in such a way that it is likely to be received by a *retail client*:
- (a) the *person* allocated the *compliance oversight function* in the *firm* must make a record at or near the time of the communication or approval certifying that the ~~*financial promotion*~~ invitation or inducement complies with the restrictions set out in section 238 of the *Act* and in *COBS* 4.12.3R, as applicable;
 - (b) the making of the record required in (a) may be delegated to one or more *employees* of the *firm* who report to and are supervised by the *person* allocated the *compliance oversight function*, provided the process for certification of compliance has been reviewed and approved by the *person* allocated the *compliance oversight function* no more than 12 months before the date of the ~~*financial promotion*~~ invitation or inducement;
 - (c) when making the record required in (a), the *firm* must make a record of which exemption was relied on for the purposes of the invitation or inducement, together with the reason why the *firm* is satisfied that that exemption applies;
 - (d) where the *firm* relies on an exemption that requires investor certification and warnings to investors, the record required in (a) must include ~~it must make~~ a record of any certificate or investor statement (as signed by the investor) and of any warnings or indications required by the exemption;
 - (e) if the exemption relied on is that for an *excluded communication* under *COBS* 4.12.4R(5), the *firm* must identify in the record required in (a) which type of *financial promotion* defined as an *excluded communication* corresponds to the ~~*promotion*~~ invitation or inducement being made, including, where applicable, which article in the *Financial Promotion Order* or in the *Promotion of Collective Investment Schemes Order* was relied on for the purposes of

the ~~promotion~~ invitation or inducement, together with the reason why the *firm* is satisfied that the exemption applies;

...

4.12 Restrictions on the promotion of ~~Non-mainstream~~ non-mainstream pooled investments

...

Exemptions from the restrictions on the promotion of non-mainstream pooled investments

4.12.4 R ...

(5)

Title of Exemption	Promotion to:	Promotion of a non-mainstream pooled investment which is:
...		
2. Certified high net worth investors	A person <u>An individual who meets the requirements set out in COBS 4.12.6R, or a person (or persons) legally empowered to make investment decisions on behalf of such individual.</u>	Any <i>non-mainstream pooled investment</i> the <i>firm</i> considers is likely to be suitable for that client <u>individual</u> , based on a preliminary assessment of the <i>client's</i> profile and objectives. [See COBS 4.12.5G(2).]
...		
8. Certified sophisticated investors	A person <u>An individual who meets the requirements set out in COBS 4.12.7R, including an individual who is legally empowered (solely or jointly with others) to make investment decisions on behalf of another person who is the firm's client</u>	Any <i>non-mainstream pooled investment</i> .
9. Self-certified sophisticated investors	A person <u>An individual who meets the requirements set out in COBS 4.12.8R, including an individual</u>	Any <i>non-mainstream pooled investment</i> the <i>firm</i> considers is likely to be suitable for that <i>client</i> , based on a preliminary

	<u>who is legally empowered (solely or jointly with others) to make investment decisions on behalf of another person who is the firm's client</u>	assessment of the <i>client's</i> profile and objectives. [See <i>COBS</i> 4.12.5G(2)]
...		

Sch 1 Record keeping requirements

...

Sch 1.3 G

Handbook reference	Subject of record	Contents of record	When record must be made
...			
<i>COBS</i> 4.11.1R(2)	...		
<i>COBS</i> 4.11.1R(2A)	<i>Non-mainstream pooled investments: certification of compliance</i>	(1) ... (2) ...	(1) Date of certification (2) Date the promotion invitation or inducement is made to the <i>client</i> <u>communicated or approved</u>
...			

Annex F

Amendments to the Mortgages and Home Finance: Conduct of Business sourcebook (MCOB)

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

Comes into force on 1 April 2014

2.6A.10 G ...

~~[Note: ... The Office of Fair Trading has also published guidance on the impact of the *Unfair Terms Regulations* on tenancy agreements.]~~

Annex G

Amendments to the Supervision manual (SUP)

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

Part 1: Comes into force on 31 December 2013

Editor's Note: The changes in this Part have the effect of reinstating temporarily (until they are amended w.e.f. 1 March 2014) deletions made in the Controllers and Close Links Reporting (Amendment) Instrument 2013.

11.9.1A R (1) A *firm* must notify the *FCA* that it has become or ceased to be *closely linked* with any *person*. The notification must be made by completing the Close Links Notification Form (see *SUP* 11.9.3BG) ~~and must include the information set out in *SUP* 16.5.4R(4).~~

...

...

11.9.3B G The Close Links Notification Form approved by the *FCA* for notifications under *SUP* 11.9.1AR, *SUP* 11.9.5AR ~~and *SUP* 16.5.4R(1)~~, may be found at the *FCA* website.

...

11.9.4A R The *firm* must make a notification to the *FCA* under *SUP* 11.9.1AR:

...

(2) where a *firm* has elected to report on a *monthly* basis, within fifteen *business days* of the end of each *month* by completing the Close Links Notification Form, ~~including the information set out in *SUP* 16.5.4R(4)~~ for that *month* and must submit the *group* organisation chart on a quarterly basis unless there have been no changes since the submission of the previous organisation chart to the *FCA*, in which case the *group* organisation chart is not required.

...

16.4.5 R ...

(6) A *firm* must submit annually by electronic means to the *appropriate regulator* the Controllers Report which contains the information specified in the form in *SUP* 16 Annex 37AR, within four months of the *firm's* accounting reference date.

...

16.5.4 R ...

(6) A *firm* must submit a report to the *appropriate regulator* annually by completing the Close Links Annual Report in SUP 16 Annex 36AR which must be sent electronically to the *appropriate regulator* within four months of the *firm's* accounting reference date.

Part 2: Comes into force on 1 January 2014

15.3.28 R Where a *small authorised UK AIFM* no longer meets the conditions in regulation 44 9 of the *AIFMD UK regulation* (within the meaning of Chapter II of the *AIFMD level 2 regulation*) it must:

...

...

Regulated Activity Group 3

...

16.12.11 R The applicable *data items* referred to in SUP 16.12.4R are set out according to *firm* type in the table below:

Description of <i>data item</i>	<i>Firms' prudential category and applicable data items</i> (note 1)							
	<i>BIPRU firms</i> (note 17)			<i>Firms other than BIPRU firms</i>				
	...	...	...	...	...	...	<i>IPRU(INV)</i> Chapter 13	...
<i>Annual report and accounts</i>	...	...	...	...	...	...	No standard format (<u>Note 13</u>)	...
...								
...								
Note 13	This does not apply to a <i>firm</i> subject to <i>IPRU(INV)</i> Chapter 13 which is not an <i>exempt CAD firm</i> .							
...								

...

16 Annex 18BG Notes for completion of the Retail Mediation Activities Return ('RMAR')

...

Section J: data required for calculation of fees

...

The guidance in the following table sets out the *rules* which relate to the data required in Section J of *SUP 16 Annex 18AR*.

	FCA ...	FOS ...	FSCS Annual Eligible Income (£s)
...			
Investment mediation	<i>FEES 6 Annex 3R <u>3AR</u></i> sub-class D2

...

Annex H

Amendments to the Collective Investment Schemes sourcebook (COLL)

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

8.1 Introduction

...

Qualified investor schemes - explanation

8.1.4 G (1) ...

(1A) The *authorised contractual scheme manager* of a qualified investor scheme which is an ACS must take reasonable care to ensure that subscription in relation to the *units* of this type of *scheme* should only be in relation to ~~the *client* types set out in both COLL 8 Annex 1R and~~ a person to whom such *units* may be promoted under COBS 4.12.4R and who also meets the criteria in COLL 8 Annex 2R.

(2) ...

...

8.2 Constitution

...

Table: contents of the instrument constituting the scheme

8.2.6 R This table belongs to COLL 8.2.5R

...	
2	Constitution
	The following statements:
...	
(6)	for an ACS:
	(a) <i>the contractual scheme deed:</i>
	...
	(iv) states that <i>units</i> may not be <i>issued</i> to a <i>person</i> other than a <i>person</i> that :

			(A)	<u>who is a:</u>
			(i)	<i>professional ACS investor;</i>
			(ii)	<i>large ACS investor; or</i>
			(iii)	<i>person who already holds units in the scheme; and</i>
			(B)	falls within one or more of the categories set out in COLL 8 Annex 1R (Qualified Investor Schemes: eligible investors) <u>to whom units in a qualified investor scheme may be promoted under COBS 4.12.4R;</u>
		...		
			(vii)	states:
			(A)	...
			(B)	where transfer of <i>units</i> is allowed by the <i>scheme</i> or, where appropriate the <i>sub-fund</i> , in accordance with (A)(ii), <i>units</i> may only be transferred in accordance with the conditions specified by <i>FCA rules</i> , including that <i>units</i> may not be transferred to a <i>person</i> other than a <i>person that</i> :
			(i)	<u>who is a:</u>
			(1)	<i>professional ACS investor; or</i>
			(2)	<i>large ACS investor; or</i>
			(3)	<i>person who already holds units in the scheme; and</i>
			(ii)	falls within one or more of the categories set out in COLL 8 Annex 1R (Qualified Investor Schemes: eligible investors) <u>to whom units in a qualified investor scheme may be promoted under COBS 4.12.4R; and</u>
		...		
	...			
...				

...

8.3 Investor relations

...

Table: contents of qualified investor scheme prospectus

8.3.4 R This table belongs to COLL 8.3.2R

...	
5A	Issue of units in ACSs: eligible investors
(1)	A statement that <i>units</i> may not be <i>issued</i> to a <i>person</i> other than to a <i>person who</i> :
	(a) <u>who</u> is a:
	(i) <i>professional ACS investor</i> ; or
	(ii) <i>large ACS investor</i> ; or
	(iii) <i>person</i> who already holds <i>units</i> in the <i>scheme</i> ; and
	(b) falls within one or more of the categories set out in COLL 8 Annex 1R (Qualified Investor Schemes: eligible investors) <u>to whom <i>units</i> in a <i>qualified investor scheme</i> may be promoted under COBS 4.12.4R.</u>
...	
5B	Transfer of units in ACSs
...	
(2)	A statement that where transfer of <i>units</i> is allowed by the <i>instrument constituting the scheme</i> and <i>prospectus</i> in accordance with (1)(b), <i>units</i> may only be transferred in accordance with the conditions specified by <i>FCA rules</i> , including that <i>units</i> may not be transferred to a <i>person</i> other than a <i>person that</i> :
	(a) <u>who</u> is a:
	(i) <i>professional ACS investor</i> ; or
	(ii) <i>large ACS investor</i> ; or
	(iii) <i>person</i> who already holds <i>units</i> in the <i>scheme</i> ; and
	(b) falls within one or more of the categories set out in COLL 8 Annex 1R (Qualified Investor Schemes: eligible

			<u>investors) to whom units in a qualified investor scheme may be promoted under COBS 4.12.4R.</u>
	...		
...			

...

8.5 Powers and responsibilities

...

Transfer of units in an ACS

8.5.10B R ...

- (2) The *FCA* specifies that for the purposes of (1), and for the purposes of *COLL* 8.2.6R(2)(6)(a)(vii)(B) (Table: contents of the instrument constituting the scheme) and *COLL* 8.3.4R(5B)(2) (Table: contents of qualified investor scheme prospectus), *units* in the ACS may only be transferred to a *person* ~~that~~:

- (a) who is a:
- (i) *professional ACS investor*; or
 - (ii) *large ACS investor*; or
 - (iii) *person* who already holds *units* in the *scheme*; and
- (b) ~~falls within one or more of the categories set out in COLL 8 Annex 1R (Qualified Investor Schemes: eligible investors) to~~ whom units in a qualified investor scheme may be promoted under COBS 4.12.4R.

...

Responsibilities of the authorised contractual scheme manager in relation to ACS units

8.5.10D R (1) The *authorised contractual scheme manager* of an *authorised contractual scheme* which is a *qualified investor scheme* must take reasonable care to ensure that rights or interests in *units* in the *scheme* are not acquired by any *person* from or through an *intermediate unitholder* in a *qualified investor scheme*, unless ~~that person~~:

- (a) that person is a:
- (i) *professional ACS investor*; or

- (ii) *large ACS investor*; or
 - (iii) *person* who already holds units in the scheme; and
 - (b) ~~falls within one or more of the categories set out in COLL 8 Annex 1R (Qualified Investor Schemes: eligible investors)~~ units in a *qualified investor scheme* may be promoted to that *person* under COBS 4.12.4R.
- (2) ...

...

8 Annex 2R ACS Qualified Investor Schemes: eligible investors

This Annex belongs to COLL 8.1.3R and 8.1.4G.

For the purposes of the *rule* on qualified investors in a *qualified investor scheme* which is an ACS (COLL 8.1.3R(3)), the *authorised contractual scheme manager* must take reasonable care to ensure that ownership of *units* in the *scheme* is only recorded in the *register* for a person ~~who~~:

- (1) who is a:
 - (a) ...
 - (b) ...
 - (c) ...
- (2) ~~falls within one or more of the categories set out in COLL 8 Annex 1R (Qualified Investor Schemes: eligible investors)~~ to whom *units* in a *qualified investor scheme* may be promoted under COBS 4.12.4R.

Annex I

Amendments to the Consumer Credit sourcebook (CONC)

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

Comes into force on 1 April 2014

12.1.1 R This ~~Chapter~~ chapter applies to a *firm* with an *interim permission*.

Annex J

Amendments to the Credit Unions sourcebook (CREDS)

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

Comes into force on 1 February 2014

1.1.1 G (1) The Credit Unions ~~New Sourcebook~~ sourcebook, *CREDS* for short, is the specialist sourcebook for *credit unions*.

...

Appendix 1 Key definitions

CREDS the Credit Unions ~~New~~ sourcebook.

Annex K

Amendments to the Professional Firms sourcebook (PROF)

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

3 The ~~FSA's~~ FCA's duties and powers

Annex L

Amendments to the Perimeter Guidance manual (PERG)

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

Sending dematerialised instructions

- 2.7.11 G The *regulated activities* relating to *sending dematerialised instructions* relate to the operation of the system for electronic transfer of title to *securities* or *contractually based investments*. This is the CREST settlement system maintained under the Uncertificated Securities Regulations 2001 (SI 2001/3755) (and currently operated by ~~CREST Euroclear UK & Ireland Limited~~). ...

...

- 4.6.34 G Further examples of what is and is not regulated advice

This table belongs to PERG 4.6.33G.

Example of what lender <u>the firm</u> says and does	Regulated or not?
...	...