

**TRAINING AND COMPETENCE SOURCEBOOK (APPROPRIATE
QUALIFICATION EXAMINATION STANDARDS) INSTRUMENT 2017**

Powers exercised

- A. The Financial Conduct Authority makes this instrument in the exercise of the following powers and related provisions in the Financial Services and Markets Act 2000 (“the Act”):
- (1) section 137A (The FCA’s general rules);
 - (2) section 137T (General supplementary powers);
 - (3) section 138C (Evidential provisions); and
 - (4) section 139A (Power of the FCA to give guidance).
- B. The rule-making powers listed above are specified for the purpose of section 138G(2) (Rule-making instruments) of the Act.

Commencement

- C. This instrument comes into force on 9 May 2017.

Amendments to the Handbook

- D. The Training and Competence sourcebook (TC) is amended in accordance with the Annex to this instrument.

Citation

- E. This instrument may be cited as the Training and Competence Sourcebook (Appropriate Qualification Examination Standards) Instrument 2017.

By order of the Board
27 April 2017

Annex

Amendments to the Training and Competence sourcebook (TC)

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

Appendix 4 Appropriate Qualification tables

4.1 Appropriate Qualification tables

TC App 4.1 is relevant to TC 2.1.10E (selecting an appropriate qualification).

4.1.1E Part 1: Activities

Note: ...

Part 1A: The Retail Distribution Review activities (RDR activities)

Activity Number	<u>RDR</u> Activity	Key – extent to which qualification meets qualification requirement	
2	...	(a)	Meets full qualification requirement on and after, 31 December 2012
3	Advising on <i>derivatives</i>		
4 and 6	...	(b)	Meets full qualification requirement until 31 December 2012. On and after December 2012 this must be combined with qualification gap fill. This gap fill constitutes additional structured continuing professional development, which need not be by examination, completed and verified by an <i>accredited body</i>
...	...		
13	Advising on and dealing in <i>derivatives</i>		

Extent to which the qualification meets the qualification requirement in relation to RDR activities

4.1.1AE In relation to the above RDR activities a qualification in the table in Part 2 will meet the qualification requirement in relation to the activity listed in column 3 of that table, for the purpose of TC 2.1.10E(2), to the extent set out below:

(1) where an ‘a’ appears in the fourth column of the table in Part 2 the qualification will fully meet the qualification requirement on and after, 31

December 2012; and

- (2) where a 'b' appears in the fourth column of the table in Part 2 the qualification will fully meet the qualification requirement until 31 December 2012. On and after 31 December 2012 this must be combined with qualification gap-fill. This gap-fill constitutes additional structured continuing professional development, which need not be by examination, completed and verified by an *accredited body*.

Part 1B: The non-Retail Distribution Review activities (non-RDR activities)

Activity Number	<u>Non-RDR Activity (non-overseeing activity)</u>	<u>Key extent to which qualification meets qualification requirement</u>	
7	Advising on <i>long-term care insurance contracts</i>	1 or (2 + 3) or	Meets full qualification requirement
...		(4 + 5 + 6)	
15	Overseeing on a day to day basis operating a <i>collective investment scheme</i> or undertaking activities of a <i>trustee</i> or <i>depository of a collective investment scheme</i>		
16	Overseeing on a day to day basis <i>safeguarding and administering investments</i> or holding <i>client money</i>		
17	Overseeing on a day to day basis <i>administrative functions</i> in relation to <i>managing investments</i> : (i) arranging settlement; (ii) monitoring and processing corporate actions; (iii) <i>client account administration, liaison and reporting including valuation and</i>		

	<p>performance measurement;</p> <p>(iv) <i>ISA and CTF administration;</i></p> <p>(v) <i>Investment trust savings scheme administration.</i></p>		
18	<p>Overseeing on a day to day basis <i>administrative functions</i> in relation to <i>effecting or carrying out contracts of insurance</i> which are <i>life policies</i>:</p> <p>(i) <i>new business administration;</i></p> <p>(ii) <i>policy alterations including surrenders and policy loans;</i></p> <p>(iii) <i>preparing projections;</i></p> <p>(iv) <i>processing claims, including pension payments;</i></p> <p>(v) <i>fund switching</i></p>	<p>1 or (2 + 3) or (4 + 5 + 6)</p>	<p>Meets full qualification requirement</p>
19	<p>Overseeing on a day to day basis <i>administrative functions</i> in relation to the operation of <i>stakeholder pension schemes</i>:</p> <p>(i) <i>new business administration;</i></p> <p>(ii) <i>receipt of or alteration to contributions;</i></p> <p>(iii) <i>preparing projections and annual statements;</i></p>		

	<p>(iv) administration of transfers;</p> <p>(v) handling claims, including pension payments;</p> <p>(vi) fund allocation and switching.</p>		
...	...		
23	Overseeing non-advised sales on a day-to-day basis of <i>equity release transactions</i>		

Insert the following new Table at the end of Part 1 (Activities) and before Part 2 (Appropriate Qualifications Tables).

<u>Activity Number</u>	<u>Non-RDR Activity (overseeing activity)</u>
<u>15</u>	<u>Overseeing on a day to day basis operating a collective investment scheme or undertaking activities of a trustee or depositary of a collective investment scheme.</u>
<u>16</u>	<u>Overseeing on a day to day basis safeguarding and administering investments or holding client money.</u>
<u>17</u>	<p><u>Overseeing on a day to day basis administrative functions in relation to managing investments:</u></p> <p>(i) <u>arranging settlement;</u></p> <p>(ii) <u>monitoring and processing corporate actions;</u></p> <p>(iii) <u>client account administration, liaison and reporting including valuation and performance measurement;</u></p> <p>(iv) <u>ISA or CTF administration;</u></p> <p>(v) <u>investment trust savings scheme administration.</u></p>

18	<p><u>Overseeing on a day to day basis <i>administrative functions</i> in relation to <i>effecting or carrying out contracts of insurance which are life policies</i>:</u></p> <p>(i) <u>new business administration;</u></p> <p>(ii) <u>policy alterations including surrenders and policy loans;</u></p> <p>(iii) <u>preparing projections;</u></p> <p>(iv) <u>processing claims, including pension payments;</u></p> <p>(v) <u>fund switching.</u></p>
19	<p><u>Overseeing on a day to day basis <i>administrative functions</i> in relation to the operation of <i>stakeholder pension schemes</i>:</u></p> <p>(i) <u>new business administration;</u></p> <p>(ii) <u>receipt of or alteration to contributions;</u></p> <p>(iii) <u>preparing projections and annual statements;</u></p> <p>(iv) <u>administration of transfers;</u></p> <p>(v) <u>handling claims, including pension payments;</u></p> <p>(vi) <u>fund allocation and switching.</u></p>
23	<p><u>Overseeing non-advised sales on a day to day basis of <i>equity release transactions</i>.</u></p>

Extent to which the qualification meets the qualification requirement in relation to non-RDR activities

4.1.1BE

In relation to the above non-RDR activities a qualification in the table in Part 2 will meet the qualification requirement in relation to the activities in column 3 of the table, for the purpose of TC 2.1.10E(2), to the extent set out below.

- (1) Where a '1' appears in the fourth column of Part 2, that qualification alone will fully meet the appropriate qualification requirement.
- (2) Where a '2' or '3' appears in the fourth column of Part 2, two qualifications must be obtained: one being any qualification in the table denoted by a '2' and the other being any qualification in the table denoted by a '3'. Together those qualifications will fully meet the qualification

requirement.

- (3) Where a '4', '5' or '6' appears in the fourth column of Part 2, three qualifications must be obtained: one being any qualification in the table denoted by a '4', another being any qualification in the table denoted by a '5' and the other being any qualification in the table denoted by a '6'. Together those qualifications will fully meet the qualification requirement.

4.1.1CG To meet the appropriate qualification requirement, a qualification is expected to meet the appropriate qualification criteria (TC App 5) and the content should cover both technical aspects in relation to the activity number in column 3 of the table in Part 2 as well as the regulation and ethics concerning those activities. Some of the qualifications in the table in Part 2 deal with all aspects and some only deal with certain aspects, as follows:

- (1) a '1' refers to a syllabus which contains all aspects, namely technical, regulation and ethics;
- (2) a '2' or a '6' refers to a syllabus which only deals with aspects of a technical nature;
- (3) a '3' or a '5' refers to a syllabus which only deals with aspects of regulation and ethics; and
- (4) a '4' refers to a syllabus which is only of an introductory nature.

Part 2: Appropriate Qualification Tables

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