

Annex

Amendments to the Training and Competence sourcebook (TC)

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

Notification requirements

- 2.1.28 R A firm must notify the FSA as soon as reasonably practicable after it becomes aware, or has information which reasonably suggests, that any of the following events has occurred or may have occurred in relation to any of its retail investment advisers, and the event is significant:
- (1) a retail investment adviser, who has been assessed as competent for the purposes of TC 2.1.1R, is no longer considered competent for the purposes of TC 2.1.1R;
 - (2) a retail investment adviser has failed to attain an appropriate qualification within the time limit prescribed by TC 2.2AR(1);
 - (3) a retail investment adviser has failed to comply with a Statement of Principle in carrying out his controlled function; and
 - (4) a retail investment adviser has performed an activity in TC Appendix 1 before having demonstrated the necessary competence for the purposes of TC 2.1.1R and without appropriate supervision.
- 2.1.29 G When considering whether an event is significant a firm should have regard to:
- (1) the potential risk of consumer detriment as a result of the event;
 - (2) whether the event or a pattern of events indicate recurrent issues in relation to one or more retail investment advisers;

and

(3) its obligations under Principle 11.

2.1.31 G A firm making a notification in accordance with TC 2.1.13AR should also have regard to the provisions in SUP 15.7.

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Sch 2 Notification requirements

2.1G ~~There are no notification or reporting requirements in TC.~~

<u>Handbook reference</u>	<u>Matter to be notified</u>	<u>Contents of notification</u>	<u>Trigger event</u>	<u>Time allowed</u>
<u>TC 2.1.28R</u>	<u>Notifications - issues relating to the competency and behaviour of retail investment advisers.</u>	<u>(1) Information about any circumstances relevant to the issue; and</u> <u>(2) information about any steps which a firm has taken or intends to take to rectify the position or prevent any future potential occurrence.</u>	<u>Becoming aware, or having information which reasonably suggests that any of the following has occurred or may occur, and the event is significant:</u>	<u>As soon as reasonably practicable.</u>
			<u>(1) a retail investment adviser, who has been assessed as competent for the purposes of TC 2.1.1R, is no longer considered competent for the purposes of TC 2.1.1.R;</u>	
			<u>(2) a retail investment adviser has failed to attain an</u>	

			<u>appropriate qualification within the time limit prescribed by TC 2.2AR(1);</u>	
			<u>(3) a retail investment adviser has failed to comply with a Statement of Principle in carrying out his controlled function; and</u>	
			<u>(4) a retail investment adviser has performed an activity in TC Appendix 1 before having demonstrated the necessary competence for the purposes of TC 2.1.1R and without appropriate supervision.</u>	