Industry Guidance for FCA Banking Conduct of Business Sourcebook

September 2013
Legal status and disclaimer

The FCA has reviewed this Industry Guidance for aspects of retail banking and has confirmed that it will take it into account when exercising its regulatory functions. This Guidance is not mandatory and is not FCA Guidance. This FCA view cannot affect the rights of third parties.

In the event of any inconsistency between this Industry Guidance and the Banking Conduct of Business Sourcebook (BCOBS) or the FCA Principles for Businesses, the FCA rules take precedence.

This Guidance is voluntary and provides examples of minimum standards that firms can adopt to comply with certain requirements of BCOBS and the Principles for Businesses. It is not an exhaustive or definitive methodology for meeting the FCA’s BCOBS rules or the Principles for Businesses. This Guidance is not intended to address other relevant legal obligations.

Firms are free to follow different or higher standards of practice to provide products and services but must always achieve compliance with the FCA Principles for Businesses and BCOBS.

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Please ensure you have the latest version of this guidance. This can be found by checking the BBA, BSA or Payments Council websites.
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Section 1: Introduction

The FCA Banking Conduct of Business sourcebook (BCOBS) sets out the high-level rules and guidance by which the FCA regulates retail banking conduct of business. BCOBS applies to UK firms who are authorized to accept deposits in the UK from banking customers, and EEA firms passporting into the UK on a branch basis to carry on that activity.

A banking customer is defined by BCOBS to be either:

- A consumer;
- A micro-enterprise¹; or
- A charity which has an annual income of less than £1 million;

A natural person acting in a capacity as a trustee is a banking customer if he is acting for purposes outside his trade, business or profession.

1.1 The role of Industry Guidance

Industry Guidance gives examples of ways that firms can achieve compliance with BCOBS and the FCA’s Principles for Businesses. It is not mandatory or exhaustive. The Industry Guidance follows the format below throughout:

i. **Context** – an explanation of the purpose of the BCOBS chapter.

ii. **Rule** – the relevant BCOBS provision*

iii. **Industry Guidance** – examples of ways in which compliance with the rules can be achieved.

* This Guidance only includes the BCOBS rules for which the industry considers it would be helpful to provide guidance. However, users of this guidance must comply with all of BCOBS as it relates to their business. The full BCOB Sourcebook is therefore provided as an annex to this document.

Firms regulated by the FCA must also comply with the FCA’s Principles for Businesses. These outline the fundamental obligations of each regulated firm and where relevant they are referred to in this Industry Guidance.

This document is dynamic and the BBA, BSA and Payments Council will ensure that it remains up to date, in consultation with the FCA and consumer bodies as appropriate.

1.2 The relationship between BCOBS and the Payment Services Regulations (PSRs)

The PSRs regime implements the EU Payment Services Directive in the UK. The FCA is the main competent authority for monitoring and enforcing the regulations in the UK. Its approach to the regime is outlined at http://www.fca.org.uk/your-fca/documents/-psd-approach-document-

The PSRs include conduct of business rules for payment services. This means that retail deposit taking products with a payment function, such as current accounts and relevant instant access savings accounts and payment transactions on other accounts, are subject to rules in the PSRs and/or BCOBS, depending upon the service and activity concerned.

FCA confirmed Industry Guidance has to relate to the FCA rule under which it sits and be consistent with any relevant FCA guidance. This document does not therefore include guidance on compliance with the PSRs. Some of the rules in BCOBS apply to areas of retail banking conduct of business that are not covered by the Payment Services Directive. In the case of a payment service, therefore, some activities or dealings in relation to that service may be governed by the PSRs while other activities or dealings in relation to that service may be subject to the rules in BCOBS. For further information on this, firms are advised to refer to Chapter 1 of BCOBS on the general application rule.

For the avoidance of doubt, this Guidance only applies where BCOBS applies, as set out under the General Application rule BCOBS 1.1. BCOBS applies to the extent that this would not be inconsistent with the provisions of the Payment Services Directive that harmonise conduct of business requirements in relation to payment services.

¹ A micro-enterprise is defined as a business that employs fewer than 10 persons and has a turnover or annual balance sheet that does not exceed €2 million. Further information about this definition can be found on the EU Commission’s website at http://ec.europa.eu/enterprise/enterprise_policy/sme_definition/index_en.htm
Section 2: Communications with banking customers and financial promotions

2.1 Introduction

Chapter 2 of BCOBS sets out the rules and guidance applying to financial promotions and to communications with banking customers both pre and post sale i.e. for the lifetime of the relationship between the firm and the customer.

This chapter applies to all retail deposit taking activities, including those products and services where Parts 5 and 6 of the PSRs apply.

For structured deposits, cash deposit ISAs and cash deposit Child Trust Funds, additional rules are set out in the FCA Conduct of Business Sourcebook

Firms must always ensure that communications and financial promotions are fair, clear and not misleading.

### Relevant BCOBS rules and guidance

#### 2.1 Purpose and Application: Who and what?

**2.1.1 G** Principle 6 requires a **firm** to pay due regard to the interests of its **customers** and treat them fairly. **Principle 7** requires a **firm** to pay due regard to the information needs of its **clients** and communicate information to them in a way which is clear, fair and not misleading. This chapter reinforces these requirements by requiring a **firm** to pay regard to the information needs of **banking customers** when communicating with, or making a **financial promotion** to, them and to communicate information in a way that is clear, fair and not misleading.

**2.1.2 R** In addition to the general application rule (BCOBS 1.1.1R), this chapter applies to the communication, or approval for communication, to a **person** in the **United Kingdom** of a **financial promotion** of a **retail banking service** unless it can lawfully be communicated by an **unauthorised person** without approval.

**2.1.3 R** This chapter applies to a **firm**:  
(1) communicating with a **banking customer** in relation to accepting deposits;  
(2) communicating a **financial promotion** that is not an **excluded communication**; or  
(3) approving a **financial promotion**.

#### 2.2 The fair, clear and not misleading rule

**2.2.1 R** A **firm** must take reasonable steps to ensure that a communication or a **financial promotion** is fair, clear and not misleading.

#### 2.2 Fair, clear and not misleading

To ensure that a financial promotion or communication is fair, clear and not misleading firms should consider:

- who it is being aimed at;  
- the channel by which it is being made;  
- the particular features of the product or service (i.e. main benefits, risks, limitations, complexity of product, conditions and duration of the product/service);  
- the level or depth of the information provided; and  
- the actions it seeks to elicit.
For example:

- Information must be presented in a way that is likely to be understood by the average member of the audience. So communications to consumers may highlight different information than those to a micro-enterprise because of the likely different needs and priorities of the intended audience.

- Additional care should be taken when aiming communications at potentially vulnerable consumers.

- A high-level financial promotion that implies or expressly seeks further investigation from the consumer may provide less-detailed information. However each financial promotion should still provide balanced and sufficient information on a standalone basis.

Relevant BCOBS rules

2.3.1 R A firm must ensure that each communication made to a banking customer and each financial promotion communicated or approved by the firm:

1. includes the name of the firm;
2. is accurate and, in particular, does not emphasise any potential benefits of a retail banking service without also giving a fair and prominent indication of any relevant risks;
3. is sufficient for, and presented in a way that is likely to be understood by, the average member of the group to whom it is directed, or by whom it is likely to be received; and
4. does not disguise, diminish or obscure important information, statements or warnings.

2.3.7 R If a communication or a financial promotion compares a retail banking service with one or more other retail banking service (whether or not provided by the firm), the firm must ensure that the comparison is meaningful and presented in a fair and balanced way.

2.3.8 R If a communication or a financial promotion in relation to a retail banking service refers to a particular tax treatment or rate of interest payable, a firm must ensure that a prominent statement that the tax treatment or the rate of interest payable:

1. depends on the individual circumstances of each banking customer and may be subject to change in the future.
2. may be subject to change in the future:

Is either included in that communication or financial promotion, or provided to the banking customer on paper or in another durable medium in good time before the banking customer is bound by the contract for that retail banking service.

2.3 Additional information for savings products

AER

Firms may find it useful to refer to BBA/BSA guidance on ways in which AER can be calculated and included in financial promotions for savings accounts, cash ISAs, cash CTFs and structured deposits. The Code of Conduct for the Advertising of Interest Bearing Accounts\(^2\) can be found at http://www.bba.org.uk/media/article/code-of-conduct-for-the-advertising-of-interest-bearing-accounts.

Summary box

When presenting key product information for savings accounts in written or online promotional material, firms can where appropriate use a summary box format\(^3\).

The aim of the summary box is to provide customers with a consistent and succinct summary of the key product features for the product being promoted. This should enable customers to compare different products more easily.

In specialist customer segments such as micro-enterprises and private banking a summary box may not be appropriate because, for example, key product features may be determined on a personalised basis.

Further information on the summary box can be found at Annex A.

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2 The Code of Conduct for the Advertising of Interest Bearing Accounts has not been confirmed by the FCA
3 Annex A provides further information on when it may be appropriate to use a summary box format.
Section 3: Distance communications

Chapter 3 of BCOBS includes the rules and guidance applying to distance marketing communications made from the UK to consumers in the UK or in another EEA country.

These rules derive from the Distance Marketing Directive and are listed under Annex 1R of the full BCOBS sourcebook, which can be found at Annex B.

This chapter applies to all retail deposit taking activities. However, for those products and services where Parts 5 and 6 of the PSRs apply, firms are only required - when marketing at a distance - to provide some of the information required by the distance marketing disclosure rules. This modification to the rules is set out in more detail in BCOBS 3.1.2R (2) and can be found at Annex B.

Relevant BCOBS rule

**Application**

3.1.1 R This section applies to a firm that carries on any distance marketing activity from an establishment in the United Kingdom, with or for a consumer in the United Kingdom or another EEA State.

The Distance Marketing Directive only applies to consumers. Firms are therefore not required to apply these standards to marketing communications made to micro-enterprises from a distance, although they may choose to do so.
Section 4: Information to be communicated to banking customers

4.1 Introduction
This chapter of Industry Guidance applies only to retail banking services where Parts 5 and 6 of the PSRs do not apply.

Chapter 4 of BCOBS sets out rules and guidance relating to information for banking customers during each stage of their relationship with the firm, i.e. pre-sale, on entry into a contract and during the life of the product or service.

As per Chapter 2 of BCOBS, all communications must be fair, clear and not misleading.

Relevant BCOBS rule

4.1.1 R A firm must provide or make available to a banking customer appropriate information about a retail banking service and any deposit made in relation to that retail banking service:

(1) in good time;
(2) in an appropriate medium; and
(3) in easily understandable language and in a clear and comprehensible form;
so that the banking customer can make decisions on an informed basis.

4.2 Advance notification of a disadvantageous interest rate change

Any disadvantageous change, of a material nature, to the interest rate that applies to an account should be personally notified to the customer before the change comes into force. Personal notification should be provided in a durable medium.

With the exception of sending a reminder about the end of a bonus rates or promotional periods (see section below), this guidance does not apply where:

- The interest rate changes because the account tracks a reference rate that is publicly available (a ‘tracker account’)

Treating Customers Fairly

Firms should note that they always have an obligation to treat customers fairly and should keep this in mind when setting and operating their interest rate policy.

A material change

To achieve a proportionate approach, firms should consider a change to be material when:

- The interest rate of the account falls in a single movement by more than 25 bps; and
- The account has a balance of £500 or more (this is a point in time balance e.g. at the time the decision is taken to change the interest rate)

Or;

- A single interest rate fall of 25bps or less will result in there having been a cumulative downward movement of the account’s interest rate over the preceding 12 months (the ‘reference period’) of 50bps or more; and

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4 Within the guidance relating to BCOBS 4.1.2G ‘interest rate’ can be AER or gross interest rate, depending on the rate used by the firm to calculate and communicate variations to customers. Firms should use these rates on a consistent basis and ensure that the rate used is transparently communicated to customers.

5 For non-Sterling accounts firms should use an equivalent balance in the account’s currency. This could be determined with reference to the relevant exchange rate when the decision is taken to change the account’s interest rate.
• the account has a balance of £500 or more (this is a point in time balance e.g. at the time the decision is taken to change the interest rate, which results in the cumulative movement of 50bps or more)

An interest rate change will be notified on accounts with more than one interest rate tier, if the interest rate change on any one tier is material.

**The 12 month reference period**

The 12 month reference period is a rolling period, e.g. the reference period on 01.05.10 will be the twelve month period from 02.05.09.

This means firms should consider the interest rate movements that have taken place in the twelve months prior to the new downwards interest rate change to determine whether an interest rate change is material.

There are circumstances when the reference period is less than 12 months. When a customer has been notified of a 50bp or more cumulative downwards movement within the previous 12 months, the effective date of the most recent such notification becomes the new reference date (i.e. the new reference period starts the date the notified interest rate change became effective).

**A reasonable period**

Notification in the circumstances described above should provide customers with a reasonable period in which to close or switch their account without penalty. Firms can achieve this by choosing either of the following approaches:

- Notification provided at least 14 days prior to the rate change and the customer is given a period of 30 days from the date of notification during which they can close or switch their account without providing any notice or suffering any penalty that might ordinarily result from not honouring the notice period; or
- Notification provided to the customer of at least 14 days + the account’s normal notice period (or 30 days if longer than the notice period) prior to the rate change. If the customer wishes to close or switch their account the normal notice period applies, as do any penalties that might ordinarily apply in lieu of notice.

For each of the above approaches, the relevant notification period should start from the date at which the firm reasonably expects the notification to have been delivered to the customer.

**Additional content for personal notification**

As outlined in BCBS 4.1.2G(4), personal notifications should:

i. where applicable, refer to the fact that the firm offers a comparable banking service for which the consumer would be eligible
ii. indicate the customer’s ability to close or switch their account and that the firm will assist the customer to do so.

Notifications should also include relevant contact details so that customers can find out further information about their account and other services offered by the firm.

**Notification of non-material disadvantageous interest rate changes**

Any disadvantageous change of a non-material nature to the interest rate that applies to an account should be notified to customers by making relevant information available as soon as reasonably possible.

Examples of the ways in which this could be achieved might include a combination of:

- telephone helpline messages
- information on the firm’s relevant website pages
- notices in branch
- notifications in newspapers

Firms should similarly make information available about advantageous interest rate changes, but do not have to provide this information to customers via personal notification.

**Bonus rates and promotional periods**

Firms should provide customers with a reminder at least 14 days, and no longer than 3 months, in advance of the end of a bonus rate or promotional rate when:

- the account has a bonus rate or promotional rate of 6 months or more; and
• the account has a balance of £500 or more (this is a point in time balance)

4.3 Enabling customers to make informed decisions

4.3.1 General

The terms ‘provide’ and ‘make available’ are used in Chapter 4 and mean:

- **Provide**: to send or to give information directly to the customer.
- **Make available**: information is available to obtain by the customer.

Appropriate information should be provided or made available to customers in good time to allow them to make informed decisions.

In determining whether information is provided or made available firms should consider:

- The type of information that is being presented and its importance to the decision-making process;
- The actions the information might elicit from the customer;
- The channels by which the information is accessible and the customer’s preferred method of communication; and
- The passage of time, if any, since the information was last provided or made available.

Firms can provide or make information available through a number of channels e.g. in branch, by post, by email, by internet, by telephone or by text message. Where information is provided by firms it must be in a durable medium.

Information should be presented in plain language and should wherever possible avoid the use of technical or legal terms.

4.3.2 Pre-sale information

Pre-sale information (not financial promotions) for products and services should, if appropriate, make reference to the availability of similar products and services offered by the firm that the customer may be interested in. For example, if a firm has a brochure for one of its deposit accounts it would be appropriate for the brochure to make reference to the availability of the firm’s other similar deposit accounts.

Firms are not required to provide information about other products or services where the customer has identified the product that interests them and has expressly confirmed that they do not want to receive information about other similar products.

4.3.3 Current accounts

If a customer is interested in applying for a current account, in addition to the information that must be provided under the PSRs, firms should provide or make available pre-sale information in clear and simple language where Parts 5 and 6 of the PSRs do not apply, e.g.:

- that a chequebook is provided (if applicable) and how cheque clearing works;
- whether, during application, a check will be made with a credit reference agency and if that check will be recorded as a full search.

If a firm provides front of house literature for their personal current account range, such literature should include reference to the availability of the firm's basic bank account (if they have one), and where to get further information. This reference might take the form of a separate piece of literature or text within an existing leaflet.
4.3.4 Additional information for Non-EEA currency current accounts

Current accounts where funds are held in a non-EEA currency are not covered by Parts 5 and 6 of the PSRs. Therefore, in addition to the guidance above, firms should provide customers who are interested in the account with information in good time before concluding the contract that includes (where relevant):

- how direct debits (including the direct debit guarantee), standing orders and other recurring transactions work and how to cancel them;
- how clearing works for automated payments;
- current interest rates, and how the customer will be informed about changes; and
- charges applying to the account and how the customer will be informed about changes.

4.3.5 Joint accounts for personal customers

Before entering into a contract, joint account customers should be informed of their rights and duties and the concept of joint and several liability. Customers should be told what this means if the relationship with the other joint account holder ends. They should be told for example, whether or not the account would be closed or whether or not one name could be removed.

Customers should be made aware that, unless the account mandate provides otherwise, in most cases one party to a joint account can withdraw the entire balance of the account alone.

If requested, firms should ensure that statements for current accounts get sent to each party to a joint account at different addresses.

In the case of building societies, it is especially important that the consequences of being first or second named on an account are explained, in relation to being a representative joint shareholding/borrowing member or trustee and the additional rights that brings (such as voting rights, etc.). A concise explanation of the rights of membership and the importance of picking the order the names are put on the account could form part of the product literature or application form. It is up to building societies to consider how best to communicate this information.

4.3.6 Partnership accounts for micro-enterprise customers

When a business account is opened it is possible that the bank will need to deal with people in the business, other than just the business owner(s). Clearly the bank must also respect the business owner’s right to confidentiality. To avoid doubt concerning whether or not the bank has authority to discuss matters with particular individuals, it is appropriate to ask customers for this authority at the outset. There is no obligation to confirm thereafter that the authority remains valid, although firms may wish to do so.

Partners in a partnership (and other joint signatories) should be properly informed of their rights and duties and the concept of joint and several liability. Specifically, what the implications are if the relationship with the other partner ends. They should be told for example, whether the account would be closed or whether one name could be removed. They should be told in what circumstances it might be necessary to freeze an account.

Customers should be made aware that, unless the account mandate provides otherwise, in most cases one party to a partnership account can withdraw the entire balance of the account alone. If requested, firms should tell all parties whether statements can be sent to each party to a partnership account at a different address, and whether there is a charge for doing this.
4.3.7 Basic Bank Accounts

Basic bank accounts are a useful tool in encouraging financial inclusion. There are a number of initiatives that firms offering basic accounts can follow to demonstrate they are treating customers fairly. These include:

1. If a customer wants to know about current account options and the firm assesses that a basic account is likely to be appropriate, then the firm should inform the customer that it offers a basic account and how it can be opened. Customers for whom a basic account might be appropriate include those:
   - who express an interest in opening a money transmission (current) account which does not allow them to go overdrawn;
   - whose main source of income appears to be state benefit;
   - who are content to accept the limited money transmission functionality of a basic account (e.g. no cheque book).

2. If a customer asks to open a basic bank account and meets the firm’s qualifying criteria for one, the firm should allow the customer to open one. This does not preclude other products being explained where it is appropriate. However, if the customer has a history of fraud or is an undischarged bankrupt a firm is not bound to open an account. If the customer already holds a suitable account with the bank, a firm is not bound to open a basic bank account.

3. If a firm needs to undertake a full credit check (rather than an enquiry) to verify identification and complete a customer’s application for a basic account the firm should explain the implications of the check to the customer in clear and simple language, including whether it could impact on the customer’s future ability to apply for credit.

4. If a customer’s application for a basic bank account is declined firms should explain the main reason why if asked by the customer to do so. However, if suspicion of fraud or money laundering is the reason for declining an application the firm is not obliged to inform the customer.

4.3.8 Identification and address verification

In determining what types of customer ID documents are acceptable, firms should have regard to the FCA guidance in SYSC 6.3.7G and the Joint Money Laundering Steering group guidance. Firms should publish on their websites a non-exhaustive list of the standard ID documents they accept.*

For basic bank accounts:

- Wherever possible, firms should verify ID in branch for basic bank account applications. Customers should be told why this information is needed, what types of documents are acceptable and what checks may be carried out.
- If a firm operates a central account-opening service, it should offer the option for certified copies of ID documents to be sent to the central unit rather than original documents. This helps to avoid customers being asked to send away important documents in order for firms to satisfy identification requirements under Money Laundering rules.
- Where a firm has an arrangement with a third party, such as a housing association, to open basic bank accounts on the firm’s behalf, the same approach to verifying ID should apply wherever possible.

4.3.9 Savings accounts

A summary box format can be used to provide appropriate information about savings accounts in a consumer-friendly form for written and on-line pre-contract information. An example of the format and content of a summary box can be found at Appendix A.

In specialist customer segments such as micro-enterprises and private banking a summary box may not be appropriate because, for example, key product features may be determined on a personalised basis.
Information about interest rates (AERs) for savings accounts should be provided to customers in pre-sale material. Firms may wish to refer to the Code of Conduct for the Advertising of Interest Rates on Savings Accounts and should also tell customers how any changes to the AER during the lifetime of the product will be communicated to the customer. The Code can be found at http://www.bba.org.uk/media/article/code-of-conduct-for-the-advertising-of-interest-bearing-accounts.

4.3.10 Cash ISAs and Child Trust Funds

The FCA’s Conduct of Business rules (COBS 13 and COBS 14) prescribe the information that must be provided, in good time before a contract is concluded, to customers who are interested in a Cash ISA or Child Trust Fund. These rules can be found at https://fshandbook.info/FS/html/FCA/COBS

4.3.11 Charges

In good time before entering into a contract customers should be provided with details of the charges that apply for the normal running of the account. It would also be advisable to include a warning that the charges may change in the future.

Firms should also make available information about all their current charges for the account and can do so by, for example:

- a telephone helpline;
- the firm’s website; or
- information available in branch.

Examples of charges for the normal running of a current account or savings account might include:

- monthly or other regular account fees;
- charges for processing cheques; and
- charges for unpaid or returned cheques.

Also, where it is relevant, customers should be provided with details of any charges for early withdrawal from a notice account or fixed-term account in good time before entering into the contract.

For micro-enterprise customers firms should, in addition to the above, provide details of what is included and excluded during any ‘free banking’ period that the bank offers.

There is no need at the account opening stage for details to be given of charges for services and products that customers are likely to use on an infrequent basis. However, firms may wish to do this, and as a minimum the customer should be told the charges for these services in good time before the service is given.

Examples of these types of service include:

- bankers’ drafts;
- stopped cheques; and
- special presentations.

4.3.12 Pre-notification of charges

Any charge that accumulates to the account i.e. that is rolled up to be charged at the end of a particular period, should be pre-notified by at least 14 days. The 14 days start from the date the notification is posted (whether by letter, statement notice or other durable medium), not from the date the notification is received.

6 The Code of Conduct for the Advertising of Interest Bearing Accounts has not been confirmed by the FCA
Charges for services that are debited at the time a service is provided and where the customer has been notified in advance (for example, in the standard tariff) or where the customer is informed at the time the service is provided, are not subject to 14 days’ notice before they are taken.

4.3.13 Changes to account charges

For normal retail banking services, any disadvantageous change to the level of charge associated with the service should be personally notified to the customer in a durable medium at least 30 days before the change comes into force. This period of advance notification should also apply to the introduction of any new charges for the normal running of the account.

Customers should be free to close or switch their account without additional charges or loss of interest for doing so for a period of at least 30 days after the date of notification of the disadvantageous change to the charge.

There is no need to provide notice to customers of reductions in charges but information about the reduction should be made available to customers.

Changes to charges for services or products that customers are likely to use on an infrequent basis do not have to be provided to customers in advance of the change but information about the change should be made available.

4.3.14 Cash machine charges

Customers should be told, in good time before they open their account and every time a debit card is re-issued, whether and what charges are made for ATM withdrawals, including the basis on which charges for withdrawals at ATMs abroad will be made.

Firms should have regard to, and comply with, the relevant LINK rules on ATM signage.

4.3.15 Chip and PIN

Where a firm has a system in place to allow customers to change their PIN, it should tell customers how to do so, for example in account opening packs or on PIN notifications.

Firms should also provide reference to alternatives to chip and PIN, including in materials accompanying card issuance, and in any discussion with the customer where they express difficulty with using a PIN.

4.3.16 Interest rates

In good time before entering into a contract customers should be provided with details of the interest rates that apply to the account and how interest will be calculated (i.e. when calculated, compounded and charged). When quoted in the same document, debit and credit interest should be shown on a consistent basis, (for example, monthly or annually) so as to make it easier for customers to compare and choose whether to save or to repay debts.

Customers should be told how and where they can get up-to-date information on interest rates and how and when they will be notified of interest rate changes.

Firms should make available to customers information about their current interest rates and could do so, for example via:

- a telephone helpline;

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7 The LINK rules have not been confirmed by the FCA. These are available at www.link.co.uk
the firm’s website; or
information available in branch.

4.3.17 Terms and conditions

Unless it is impracticable to do so, (as in the case where a banking customer wishes to conclude the purchase of a product during a telephone call, which is covered by BCOBS Chapter 3) customers should be provided with any product terms and conditions in a durable medium – and be encouraged to read them – in good time before entering into a contract.

All terms and conditions must be written in clear and intelligible language and should be easy for the average consumer to read. Terms and conditions for personal customers should meet the requirements of the Unfair Terms in Consumer Contracts Regulations.

Customers should be told before entering into a contract how they will be notified of changes to terms and conditions.

4.3.18 Changes to Terms and Conditions

If terms and conditions are changed to the customer’s detriment customers should be given at least 30 days’ personal notice in a durable medium before the change takes effect. At any time during the 60 days from the date of the notification, the customer should be free to close or switch their account without having to give any notice. Customers should also be free to close or switch accounts without any financial penalty.

Where a change to terms and conditions is not to the customer’s disadvantage notification should be provided or made available within 30 days of the change. For example, by press advertisements, branch notices, information on the website, etc. The method chosen should be appropriate for the distribution channel. So, a branch notice would not be appropriate to advertise changes in the terms of an internet-only account. Firms should be prepared and able to justify why they believe a change is not to the customer’s disadvantage.

If a firm makes a major change or a lot of minor changes to terms and conditions in any one year it should provide the customer with a summary of the changes and tell them where they can find a full copy of the terms and conditions.

Relevant BCOBS rule

4.2 Statements of account

4.2.1 R

(1). A firm must provide or make available to a banking customer on paper or in another durable medium such regular statements of account as are appropriate to the type of retail banking service provided, but need not do so where:

(a) the firm has provided a banking customer with a pass book or other document in a durable medium that records transactions in relation to the retail banking service;

(b) the retail banking service is provided at a distance by means of electronic equipment where the banking customer can access his account balance, view transactions and give instructions in relation to the retail banking service at a distance by such means;

(c) a banking customer has elected not to receive periodic statements of account, and for so long as such election is in force; or

d) it has reasonable grounds to believe that the banking customer is not resident at the address last known to it as the address of the banking customer and it is not practicable after reasonable inquiry to ascertain the banking customer’s address.

(2) A firm must not charge for providing information which is required to be provided by (1).

(3) A firm must provide a banking customer with a true copy of any statement of account provided to him under (1) on paper or in another durable medium within a reasonable period of time following a request to
(4) A firm and a banking customer may agree on a charge for:

(a) providing a copy of a statement of account under (3); or

(b) providing statements of account more frequently than required by (1);

at the request of the banking customer. Any such charge must reasonably correspond to the firm’s actual costs.

4.4 Statements of Account

Periodic statements must be provided or made available to customers in a durable medium for all deposit-based accounts unless clearly inappropriate, as outlined in BCObS 4.2.1R (1). Such periodic statements should include details of any transactions and any charges that were applied in the statement period as well as contact details for the firm.

Statements should continue to be provided or made available even when the account is inactive unless previous statements have been returned and it has not been possible to ascertain a new address after reasonable inquiry, or the account has been made dormant. Although customers may ask for more frequent statements, there is no requirement for firms to provide such a service and, if they do, a charge may be agreed with the customer which reasonably corresponds to the firm’s actual costs.

4.5 Providing a copy of a statement

Under the FCA’s SYSC rules, guidance at SYSC 9.1.5G advises that firms should retain the records required to produce statements of account for as long as is relevant for the purposes for which they were created.
Section 5: Post sale requirements

5.1 Introduction

Chapter 5 of BCOBS sets out rules relating to the way in which a firm must treat a customer after they enter into a contract for a product or service. Firms must act promptly, fairly and efficiently when providing retail banking services.

The way that firms deal with customers post sale is important in achieving the desired outcomes for Treating Customers Fairly under FCA’s Principle 6. In particular firms should have regard to outcome 5:

“Consumers are provided with products that perform as firms have led them to expect, and the associated service is of an acceptable standard and as they have been led to expect.”

As per Chapter 2 of BCOBS, all information provided to customers post sale must be fair, clear and not misleading.

Relevant BCOBS rule

5.1.1 R A firm must provide a service in relation to a retail banking service which is prompt, efficient and fair to a banking customer and which has regard to any communications or financial promotion made by the firm to the banking customer from time to time.

5.2 Completing the opening process for a basic bank account

A basic bank account should take no longer than 10 working days to become operational. The 10 working days are counted from the date the customer's application is completed and approved, i.e. once any necessary identification and address validation checks have been completed. 'Operational' means the ability to pay into and make withdrawals from the account (i.e. via a branch counter or an ATM).

5.3 Moving a consumer from a free current account to a fee-based account

Firms can offer customers the opportunity to move their current account from a "free if in credit" account to a fee-paying account. Information about the new account should be provided to the customer, in accordance with the applicable regulatory requirements and relevant paragraphs of Section 4 of this Guidance, before the customer is asked to respond to the offer.

A move should not take place unless the customer gives their express consent or it is the firm's intention to move all customers on the previously free account to a fee-paying current account.

5.4 Closing a customer’s account

A firm should not close a customer’s account without giving the customer at least 30 days’ notice, unless there are exceptional circumstances. These might include a legal obligation to close the account or threatening or abusive behaviour by the customer towards staff.

Firms can respond to a bankruptcy notice by immediately closing an account without notice if they feel this is necessary. Similarly, they may respond to a request by a receiver in bankruptcy to close an account and send the funds to the receiver under his powers.
Firms should not close an account, or threaten to do so, in response to a non-vexatious customer complaint, so long as the customer is not also acting in a manner that might otherwise lead to account closure (see examples above).

5.5 Branch availability or closure

If a firm plans to close or move a branch, customers should be notified at least 12 weeks beforehand and told about how the firm will continue to provide retail banking services. This includes providing micro-enterprise customers with information on any inter-bank agency agreements that exist.

This relates to permanent closure, not temporary closures (e.g., due to branch refits). This does not apply where branches merge and are very close together (e.g., in the same or adjacent streets) or where a branch relocates to a very close location, providing customers do not experience the service reductions outlined in the three Guidance bullets below.

If a customer is formally attached to a particular branch (i.e., they have an individual account number and branch, rather than a central or universal, sort code), and that branch is to close, the customer should be given personal notification of at least 12 weeks.

In all cases (i.e. whether customers are formally attached to a branch or not) a prominent notice should be placed in the branch for all customers to see and consideration given to other local advertising and notifying local councils and community groups.

Notifications should provide information on alternative facilities offered by the firm in the locality including, its nearest alternative branch and its nearest free ATM(s). Notifications should also include generic information about other channels through which banking services are provided.

In exceptional circumstances, such as where there have been life-threatening raids, the notification periods may be reduced or waived by the firm although notification should still be given to customers.

Customer notification of at least 12 weeks should also be given where:

- all counter services in a branch are replaced with automated provision; or
- branch opening hours, are reduced by 30% or more; or
- access to a branch becomes restricted to a particular group or groups of customer(s).

The 30% reduction in opening hours should usually be measured by reference to the branch’s previous opening hours over a working week, but alternative measures in line with the local market are acceptable.

This section also applies to branch agencies, where it is the firm who chooses to bring the agency agreement to an end (placing notices in the agency may still be dependent on the goodwill of the agent, and may not therefore be possible – although arrangements and agreements made with agents should have been designed to ensure as far as possible their co-operation in complying with this requirement). If the agent defaults or withdraws from the agreement at short notice, it may not be possible for the firm to give the required notice to customers.

5.6 Cheques

Firms should follow the 2-4-6 and 2-6-6 processes for cheque clearing. These maximum timeframes for each stage of the cheque clearing process apply to customers paying in UK sterling cheques issued by or deposited in to sterling accounts with UK banks and building societies. They do not apply to non-sterling cheques.

Firms should keep original cheques paid from an account, or copies, for at least six years unless they are returned to the customer. This does not apply to cheques that are not cleared through the customer’s own account when finally presented, i.e., managers’ payments or branch cheques or drafts, building society cheques, etc. which are ‘bought’ by customers, drawn on the bank or building society itself.

5.7 Disputed cheques
If, within a reasonable period after the entry has been made on a customer’s statement, the customer disputes the cheque, firms should provide their customer with the cheque or a copy as evidence. Firms must try to resolve the dispute promptly and if there is an unreasonable delay the amount of the cheque should be added to the customer’s account until the dispute is resolved. The dispute referred to is a dispute between the customer and the firm, not a third party.

This practice only applies to cheques issued on customers’ own accounts. A common sense approach should be taken in relation to what constitutes a ‘reasonable period’ and an ‘unreasonable delay’

If a firm needs to tell a customer that a cheque has been returned unpaid it should do so in a private and confidential manner.

5.8 Returning paid cheques

Some firms provide a service of returning paid cheques to micro-enterprise customers. If the firm applies a charge for doing so it should provide at least 30 days prenotification, in a durable medium, of any increase to this charge.

5.9 Account security

To provide a fair and efficient service firms must provide secure and reliable banking systems. Important aspects of this process include having effective systems in place to allow customers to report thefts or losses and making available to customers useful information to help them protect their accounts. Such information could include:

- how to notify the firm promptly of any changes to the customer’s personal information e.g. name, address and contact details;
- the benefits of checking statements and passbooks regularly and alerting the firm to any irregularities;
- how to keep cards, PINs, chequebooks, statements and security details safe; and
- how to alert the firm promptly to the loss of theft of any account details.

If using online banking:

- how to keep the customer’s PC secure;
- how to keep passwords and PINs secret;
- the need to treat e-mails from senders claiming to be from the firm with caution and being wary of e-mails or calls asking for personal security details; and
- advising customers how to access internet banking sites by typing the bank or building society’s address into the web browser i.e. not using a link in an e-mail.

Firms are encouraged to refer to the relevant rules at BCOBS 5.1.11 and 5.1.12 for details of a firm’s and a customer’s liabilities for unauthorised payments.

5.10 Financial Difficulties

FCA’s Principle 6 requires that firms pay due regard to the interests of their customers and treat them fairly. Firms should therefore ensure that in providing a prompt, efficient and fair service they consider any apparent cases of customer financial difficulty sympathetically and positively.

If during the course of a customer’s account operation a firm becomes aware that the customer may be heading towards financial difficulties, the firm should contact the customer to outline their approach to financial difficulties and to encourage the customer to contact the firm if the customer is worried about their position. Firms should also provide signposts to sources of free, independent money advice. Firms should determine the level of intervention required dependent on the individual customer’s position.

Please ensure you have the latest version of this guidance. This can be found by checking the BBA, BSA or Payments Council websites.
Where a firm seeks to use its Right of Set Off to appropriate funds from an account it should give due regard to the principle that such funds should only be used to pay ‘non-priority’ debts once provision has been made for any ‘priority’ debts. Set Off should not leave a customer without sufficient income to cover reasonable day-to-day living expenses.

Additional information about how to treat customers in debt with financial difficulties can be found within the Lending Code (which has not been confirmed by the FCA).

**Relevant BCOBS rule**

5.1.5 R A firm must provide a prompt and efficient service to enable a banking customer to move to a retail banking service (including a payment service) provided by another firm.

### 5.11 Sterling currency current account switching

This section has not been confirmed by FCA

5.11.1 Current account switch service  With effect from 16th September 2013

Any firm displaying the Current Account Switch Service Trustmark promoting the switch guarantee will deliver this level of service and protection to all eligible customers who opt for the switch service offered under this guarantee.

----------------------------------The Current Account Switch Service Trustmark has not been confirmed by the FCA.
5.11.2 Switches outside the Current Account Switch Guarantee

For example, a switch would be considered outside the Current Account Switch Guarantee if the customer wished to keep the old account open.

Under the EU Common Principles for Current Account Switching, arrangements exist between UK firms to facilitate the switching of Sterling currency current accounts. Under these principles firms should as a minimum meet the following standards when a customer indicates that they wish to move their sterling currency current account to a new provider:

- Direct debit and standing order (DDSO) information should be sent by the old bank to the new bank within three working days of receiving a request from the new bank.
- Once the new bank has received the DDSO details from the old bank it should make these available to the customer to enable them to check their accuracy and ensure that only active ones are transferred. If the customer fails to respond within a reasonable period, the new bank may assume that the customer wants all DDSOs to be transferred to their new account.
- All account transfer notifications between banks, customers and direct debit originators should be made by the most expedient method. Depending on the circumstances, this will typically include first class post, telephone, or electronic transmission.
- The old bank should close or move the current account without charge.
- If the customer wishes the new bank to transfer their balance from the old bank to their account with the new bank, and this service is a feature of the new account type, the new bank will give sufficient notice of this to the old bank (this will usually be at least 5 working days before the transfer date). The old bank will act promptly to close the account on the transfer date and, where there is a credit balance, to send the funds in the manner requested. However, if the transfer cannot be completed on that date, the old bank will inform the new bank and the customer of the reason and will complete the transfer as soon as reasonably possible.
- Firms should not levy additional charges for closing an account or for transferring standing orders and direct debits.

The new bank that the customer is switching their current account to should provide the customer with a switching guide which includes information relating to:

- how the process for transferring the account will work and who is responsible for each step in the process;
- what information the old bank will pass to the new bank;
- what features the customer will be offered with the new account; and
- how long the transfer is likely to take.

Where the customer wishes to transfer their DDSOs to the new bank account, the new bank will, if so authorised by the customer, request the DDSO information from the old bank within three working days of approving a valid application. If the application has already been approved, the new bank will request DDSO information from the old bank within three working days of receiving the customer's written request to do so.

Where the customer wishes it to do so, the new bank will notify direct debit originators of the new account details and will do so on a timely basis. The important thing for the customer is that DDSOs are transferred to their new account on the date they have agreed with the new bank.

The new bank should make the new account operational within 10 working days. The 10 working days are counted from the date the customer’s application is completed and approved, i.e., once any necessary identification and address validation checks have been completed and, where appropriate, any necessary security has been put in place or any necessary credit has been received.

Operational means that the customer has the ability to pay into and make withdrawals from the account (e.g., an ATM card with PIN and, where appropriate, a cheque book).

If any bank charges are incurred by the customer as a result of any mistake or unavoidable delay by a bank during the switch these should be cancelled promptly by the bank where the charge was incurred. If charges are taken from the customer’s account before the bank’s error has been identified, the customer should be promptly reimbursed.

Where a customer wants to move a retail banking service that is not a Sterling currency current account, and there are switching arrangements in place between the firms involved, the firm should provide a prompt and efficient service which includes closing the account, transferring any account balance and making arrangements in respect of any direct debits or standing orders.

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The EU Common Principles for Current Account Switching have not been confirmed by the FCA.
Where there are no switching arrangements between the firms involved, the firm should provide a prompt and efficient service when closing the account and returning any deposit.

5.12 Additional switching provisions for micro-enterprises

In addition to the switching process outlined above, the following provisions should also be followed by the relevant bank when asked to switch a micro-enterprise current account:

- The customer should be informed of any charges that have already been agreed with them for the closure or switching of their current account, together with any other charges, at the time they ask to close or switch the current account. Such charges should not include additional charges to cancel standing orders or direct debit payments.

- In addition, this is taken to mean not applying any charges which are levied for the administrative process of closing or switching a current account. It does not apply those charges, eg interest, commission, deferred fees, etc which are legitimately due to the firm under the charging terms agreed with the customer.

- This requirement does not apply to early settlement fees for loans or breakage costs for fixed term deposit accounts. Any unavoidable money market costs involved in closing a loan or deposit early can be passed on to the customer. Nor does it apply to deferred or outstanding arrangement, management or non-utilisation fees – these can be taken. Firms should ensure this is transparent to the customer, by informing them of all related charges at the time they ask to close the loan, although the exact amount may need to be calculated and subsequently advised.

- Transferring security involves the giving up of security by one bank and the taking of the same security by another bank. The new bank should therefore advise the customer of their policy on paying the legal and valuation costs of transferring security to them before the switch is initiated.

- In the absence of exceptional circumstances relating to the transfer of charges or securities, banks should complete the transfer of accounts within five working days, when timely information is provided by the customer. This means that the transfer of a micro-enterprise current account should, without exceptional circumstances, be completed within 5 working days after completion of the exchange of information on direct debits and standing orders between the two banks, unless the customer requests differently.

5.13 Cash ISA transfers

To provide a prompt and efficient service to customers wishing to transfer their cash ISA to another provider firms are encouraged to follow the good practice procedures set out in Cash ISA to Cash ISA Transfer guidelines produced by the BBA, BSA and TISA. (These guidelines have not been confirmed by the FCA; http://www.bba.org.uk/customer/article/revised-version-of-the-cross-industry-cash-isa-to-cash-isa-transfer-guideli/savings/)

5.14 Account closure proceeds

Funds should be dispatched in accordance with the customer’s instructions on the day an account is closed. Funds should be dispatched promptly and where possible this should be by same working day electronic transfer or BACS.

5.15 Interest on account-opening funds received by cheque

Where funds are received by cheque for the opening or transfer of an interest-bearing account, customers should be paid interest at the rate applicable to the new product from no later than 2 days after the cheque is received.

Relevant BCOBS rules

5.1.9 R A firm must make appropriate arrangements to enable a banking customer, so far as is possible, to trace and, if appropriate, to have access to a deposit held (or formerly held) in a retail banking service provided by the firm. This applies even if:

(1) the banking customer may not be able to provide the firm with information which is sufficient to
identify the retail banking service concerned; or

(2) the banking customer may not have carried out any transactions in relation to that retail banking service for an extended period of time.

5.1.10 R If a firm participates in the scheme under the Dormant Bank and Building Society Accounts Act 2008, it must inform a banking customer of this fact and provide appropriate information regarding the terms of the scheme on entering into communications with a banking customer regarding a dormant account.

5.16 Dormant and Lost accounts

Firms should follow the ten core ‘pledges’ which underpin the dormant and lost accounts schemes:

- In advance of making an account dormant, following an extended period of inactivity, firms will write to the last known address asking whether the account should be kept open, unless mail has already been returned from that address or the account's balance is below a de minimis level.
- Where the customer responds, the account will be kept open.
- If no response is received, the account will be made dormant and/or additional security procedures applied as a means of preventing fraud and protecting privacy.
- A record of dormant and lost accounts, including unclaimed assets, will be maintained in perpetuity.
- The funds remain in the beneficial ownership of the customer and will continue to attract interest on the same basis as the preceding live account.
- Claim forms will be made available through the branch network, central institutional points and through the BBA, BSA and NS&I and www.mylostaccount.org.uk
- Claims made direct to individual firms or via www.mylostaccount.org.uk will be processed as quickly as possible and, in any event, within three months.
- In the event of a valid claim the customer will be advised of: the balance of the account; the amount of interest that has accrued if the account is interest-bearing; and how the customer can access the funds.
- The commitment on the part of banks and building societies to assist customers to reclaim money in a dormant account or lost account includes accounts falling within the statute-backed unclaimed assets scheme.
- There is a right of appeal through internal bank processes and, ultimately, by recourse to the Financial Ombudsman Service.

5.17 Unclaimed Assets Scheme

The FCA has not reviewed or confirmed Section 5.17 of this Guidance and will not have regard to this section when exercising its regulatory functions.

The Unclaimed Assets Scheme (‘the Scheme’) was introduced following the completion of Government secondary legislation and an FCA policy statement on its detailed regulatory requirements. The main features of the Scheme are set out in the Dormant Bank and Building Society Accounts Act 2008.

While participation in the Scheme is voluntary, the BSA and the BBA encourage their respective members to participate and the largest banks are now participating. The operation of the Scheme is governed mainly by a series of bilateral agency agreements between each bank and building society and the reclaim fund.

Notification of the introduction of the Scheme was made at the time of the 2008 revision to the Banking Code. The promotion of the central tracing service www.mylostaccount.org.uk has further raised general levels of awareness about the existence of the Scheme and has made available contact details so customers know where to go if they want to trace a dormant or lost account. Banks and building societies, in addition, need to publish to their websites their dormancy policies (see below).

Although under the Scheme liability to repay customer balances will rest with a Reclaim Fund, banks and building societies that participate in the Scheme are responsible for dealing with requests from lost account holders who come forward to claim their account (and any money paid under an agency agreement will be reimbursed subsequently by the Reclaim Fund).

When a customer claims an account that falls within the Scheme - and subject to their satisfying any identification and verification checks subscribers may have in place – they will usually have two options. They either:
- reactivate the account; or
- withdraw the available balance and close the account.

Whichever option the customer chooses to take they should be reunited with their money without undue delay.

In the case of straightforward enquiries, for instance in respect of an account made dormant relatively recently for which the claimant has full account details, the bank or building society should be able to reactivate the account or repay the funds within a matter of weeks. For less straightforward enquiries, for instance where the account is old or the claim and has only partial account details, it may take up to three months to advise on whether there may be a claim. The transfer of money to the reclaim fund should have no bearing on the time taken as the bank or building society will remain solely responsible for the maintenance of individual account records in respect of accounts falling within the unclaimed assets scheme.

It should be noted that for building society accounts where the account attracts an entitlement to membership of the society, the account holder should be informed that one of the consequences, should they choose to close the account, is that they will lose entitlement to any future rights they would otherwise have had as a member of the building society.

The Scheme defines an unclaimed asset as an account on which there has been no customer activity for 15 years or more. There are two areas relating to this where banks and building societies will have discretion:

First, firms can take account of other evidence of customer activity within the previous 15 years. The Dormant Bank and Building Society Accounts Act 2008 outlines a number of examples of customer activity, which include but are not limited to:

- transactions on other accounts held with the institution (e.g. a savings, mortgage, current or credit card account);
- evidence of the customer visiting a branch, logging on to a website or phoning a call centre; and
- voting at a building society AGM.

Banks and building societies participating in the scheme need to post to their website their policy on dormancy. If firms take account of other evidence of customer activity as outlined above, it is important that they have systems in place to record all instances of such customer activity as firm’s records may be subject to external audit.

Second, as related above, where the customer disagrees with the way a bank or building society has dealt with their claim, the customer has a right of appeal through its internal complaints procedure and then through the Financial Ombudsman Service. In the case of account monies transferred under the unclaimed assets scheme the customer will be notified where the complaint is against the reclaim fund and not the bank or building society. The bank or building society will however provide all parties with information needed to make an informed decision on the complaint and will issue the final response expressly stated to be on behalf of the reclaim fund. This will enable the FOS to establish whether the complaint is against the reclaim fund, the bank or building society or whether specific elements of the original complaint are against each party.
Annex A: Savings account summary box

This annex applies only to the use of a summary box for savings account financial promotions, and for pre-sale material for savings accounts, where Parts 5 and 6 of the PSRs do not apply.

The aim of the summary box is to provide customers with a consistent and succinct summary of the key product features for the product they are considering. This should enable customers to compare different products more easily.

When key product information for savings accounts is presented, in pre-sale material, to customers in a written and/or online format it could be made available in a standard summary box. The content and order of the summary box is outlined below:

<table>
<thead>
<tr>
<th>Key Product Information for our XXX Savings Account(s)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Account Name</strong></td>
</tr>
<tr>
<td><strong>Interest rates (AERs)</strong></td>
</tr>
<tr>
<td></td>
</tr>
<tr>
<td></td>
</tr>
<tr>
<td></td>
</tr>
<tr>
<td><strong>Tax status</strong></td>
</tr>
<tr>
<td><strong>Conditions for bonus payment</strong></td>
</tr>
<tr>
<td></td>
</tr>
<tr>
<td><strong>Withdrawal arrangements</strong></td>
</tr>
<tr>
<td></td>
</tr>
<tr>
<td><strong>Access</strong></td>
</tr>
</tbody>
</table>

* The change to the Industry Guidance to add a reference to any other charges will be implemented by the end of Q1/2011.

**Layout**

Whilst overall size, fonts etc are not specified, presentation should be both clear and legible. The summary box can include key product information for more than one of the firm’s savings products, but information for each product should be presented in an individual column.

**Left hand column**

The sequence of information presented in the left hand column should be the same for each product and as outlined above.

**Right hand column**
The right hand column above provides examples of the type of information that should be presented for each key product feature, but are not prescriptive or exhaustive. Firms should ensure that information relevant to the key product feature (left hand column) is included in the right hand column. Information may be left out of the right hand column for features that the product does not include e.g. ‘Not applicable’ can be inserted.

Firms can provide interest rates/AER information and information about the terms of the bonus payment by signposting to a separate interest rate document, but this document should be clearly signposted in the summary box and easily available to the customer.

Any other product information which the firm feels should be given to the customer may be presented in close proximity to, but not within, the summary box.

Usage

If used, the summary box should appear prominently on or within pre-sale material. This will typically cover direct mail pieces; free standing leaflets; marketing inserts etc. But not media such as newspapers, posters, television, radio, cinema and outdoor advertising.

Provision of a summary box may not be appropriate where the firm is providing the customer with presale information in an oral form, e.g. via telephone.

A summary box might not be appropriate in specialist customer segments such as micro- Enterprises and private banking.

For internet applications a link to a page containing the summary box may be available with other pre-sale savings account information.
Annex B: Banking Conduct of Business Sourcebook

http://fshandbook.info/FS/html/FCA/BCOBS

In order to ensure the most up to date version of the sourcebook – we recommend that you upload this direct from the FCA website.