Handbook Notice No 142

June 2026

Contents

1 Overview

Legislative changes

1.1 On 25 June 2026, the Board of the Financial Conduct Authority (FCA) made the relevant changes to the Handbook as set out in the instruments listed below.

CP	Title of instrument	Instrument No	Changes effective
CP26/8	Markets in Financial Instruments (Equity Transparency) Instrument 2026	FCA 2026/30	28/09/2026
CP26/8	Technical Standards (Markets in Financial Instruments Regulation) (Equity Transparency) (Amendment) Instrument 2026	FCA 2026/31	28/09/2026
CP26/8	Collective Investment Schemes Sourcebook (Statement of Recommended Practice) Instrument 2026	FCA 2026/32	26/06/2026
CP25/37	Targeted Clarifications of Handbook Materials Instrument 2026	FCA 2026/33	26/06/2026 27/07/2026 25/09/2026

Summary of changes

1.2 The legislative changes referred to above are listed and briefly described in Chapter 2 of this notice.

Feedback on responses to consultations

1.3 Consultation feedback is published in Chapter 3 of this notice.

FCA Board dates for 2026

1.4 The table below lists forthcoming FCA Board meetings. These dates are subject to change without prior notice.

FCA board meetings		
July	30	2026
September	24	2026
October	22	2026
November	19	2026
December	10	2026

2 Summary of changes

2.1 This Handbook Notice describes the changes to the FCA Handbook and other material made by the FCA Board under their legislative and other statutory powers on 25 June 2026. Where relevant, it also refers to the development stages of that material, enabling readers to look back at developmental documents if they wish. For information on changes made by the Prudential Regulation Authority (PRA) please see www.bankofengland.co.uk/news/publications.

Markets in Financial Instruments (Equity Transparency) Instrument 2026

2.2 Following consultation in CP26/8, the FCA Board has made changes to the Handbook sections listed below:

Glossary of definitions
MAR 11 Annex 1, 11A.1, Sch 5

2.3 The FCA Board inserted the following new chapter:

MAR 1A

2.4 The FCA Board inserted the following new section:

MAR 11A.7

2.5 The FCA Board inserted the following new Annex:

MAR 11A Annex 1

Technical Standards (Markets in Financial Instruments Regulation) (Equity Transparency) (Amendment) Instrument 2026

2.6 Following consultation in CP26/8, the FCA Board has made changes to the following Technical Standard:

Commission Delegated Regulation (EU) 2017/587 of 14 July 2016 supplementing Regulation (EU) 600/2014 of the European Parliament and of the Council on markets in financial instruments with regard to regulatory technical standards on transparency requirements for trading venues and investment firms in respect of shares, depositary receipts, exchange-traded funds, certificates and other similar financial instruments.

2.7 In summary, these instruments make changes to:

- 'lift and shift' rules from MiFID RTS 1 into the Handbook, relating to MiFID transparency calculations
- amend MAR to clarify provisions relating to private rights of action
- make a minor change in MAR 11 to codes used to identify certain interest-rate derivatives for the purposes of the derivatives transparency regime

2.8 These instruments come into force on 28 September 2026. Feedback is published in Chapter 3 of this notice.

Collective Investment Schemes Sourcebook (Statement of Recommended Practice) Instrument 2026

2.9 Following consultation in CP26/8, the FCA Board has made changes to the Handbook sections listed below:

Glossary of definitions
COLL 4.5, 6.8, 8.3, 15.5, TP 1.1

2.10 In summary, this instrument makes changes to the Handbook that are necessary or desirable to reflect amendments included in the revised 2025 Statement of Recommended Practice (SORP) for authorised funds.

2.11 This instrument came into force on 26 June 2026. Feedback is published in Chapter 3 of this notice.

Targeted Clarifications of Handbook Materials Instrument 2026

2.12 Following consultation in CP25/37, the FCA Board has made changes to the Handbook sections listed below:

PRIN 1.1, 2A.1, 2A.2, 2A.3, 2A.5, 2A.6, 2A.7, 2A.8, 2A.9, 2A.11, 3.1, 3.2, 3.3, 3.4, TP 1
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PERG 8.17
WDPG 3.6, App 1.2

2.13 In summary, this instrument makes changes to resolve uncertainty in our rules and guidance that:

- have been wholly or in part superseded
- introduce greater proportionality and clarity to existing rules
- resolve clear cases of conflict and duplication in our rules

2.14 It also introduces targeted clarifications to CASS 6 and 7 to reduce administrative burden and operational friction, while preserving robust protections for client money and custody assets. The changes amend certain record-keeping and due diligence requirements, broaden reconciliation rules to reflect the availability of third-party records in various circumstances, clarify how the Consumer Duty applies to aspects of CASS and introduce greater flexibility in the treatment of bank interest earned on client money.

2.15 This instrument came into force on 26 June 2026, except:

1. Parts 2, 4 and 6 of Annex H come into force on 27 July 2026; and

2. Annex N comes into force on 25 September 2026.

2.16 Feedback is published in Chapter 3 of this notice.

3 Consultation feedback

3.1 This chapter provides feedback on consultations that will not have a separate policy statement published by the FCA.

CP26/8: Markets in Financial Instruments (Equity Transparency) Instrument 2026

CP26/8: Technical Standards (Markets in Financial Instruments Regulation) (Equity Transparency) (Amendment) Instrument 2026

Background

3.2 In November 2024, we published Policy Statement (PS) PS24/14, finalising changes to the UK bond and derivatives transparency regime. This established a simpler and more effective post-trade transparency regime based on higher quality of data, more timely reporting of executed transactions and less complex and fewer deferrals for bonds and certain over-the-counter (OTC) derivatives while ensuring that liquidity providers are sufficiently protected against undue risk.

3.3 Changes to the transparency regime entered into force 1 December 2025. We spoke to market participants to understand the impact of the changes brought in. Those conversations indicated that implementation was orderly and that there was a significant increase in real-time reporting of transaction in bonds and derivatives. The conversations also highlighted a minor outstanding issue relating to Classification of Financial Instruments (CFI) encoding for overnight index swaps (OISs) which requires a change to our rules.

3.4 At the same time as part of the consultation, we also proposed to make amendments to the Market Conduct sourcebook (MAR) to:

- rehouse provisions relating to equity transparency into the Handbook, which do not represent substantive changes to our policy
- tidy up provisions relating to private rights of action

Summary of proposals

Rehousing the provisions in Article 17 of RTS 1 into the framework now provided by MAR 11A

3.5 In PS25/17, we made some amendments to Article 17 of the UK version of Commission Delegated Regulation (EU) 2017/587 (RTS 1) –

these set out detailed requirements relating to the pre and post-trade transparency regime for equities. This brought to light that the version of Article 17 on our website did not incorporate all the amendments made to it between Markets in Financial Instruments Directive II (MiFID II) and the UK's exit from the EU.

3.6 We therefore proposed to 'lift and shift' provisions dealing with transparency calculations currently contained within Article 17 of RTS 1 into MAR 11A.7 and the accompanying Annex to MAR 11A, deleting Article 17 and Annex III from RTS 1. In this process, we have ensured that the provisions and our amendments have regard to the correct version of Article 17 that we inherited from the UK's membership of the EU. These changes are intended to deliver clarity by centralising some of the provisions relating to equity transparency within the FCA Handbook, but do not represent substantive changes to our policy or the operation of the transparency regime for equities.

Inserting references to individual MAR chapters in Schedule 5 to MAR

3.7 Schedule 5 to MAR (Rights of action for damages) provides guidance on the rules in MAR, contravention of which by a firm may be actionable under section 138D of the Financial Services and Markets Act 2000 (FSMA) by a private person who suffers loss because of the contravention. Currently, the Schedule has limited content. The table setting out the position in relation to the chapters in MAR has rows in it covering relatively few of the chapters, having not been revised in line with various sets of changes made to MAR.

3.8 We therefore proposed to make it more comprehensive to provide greater clarity for users of MAR and to insert a substantive provision in the main body of MAR, in the new MAR 1A, with a rule disapplying rights of action under section 138D of FSMA for the specified chapters in MAR.

3.9 In making these changes, rights under section 138D of FSMA should not apply more broadly than they currently apply in practice in respect of MAR.

CFI codes for OISs

3.10 MAR 11 Annex 1 gives the following CFI encoding for fixed-to-float which applies to interest rate swaps (IRSs) including OISs: *SRC(C/D/I/Y)S(C/P)*.

3.11 Market participants have made us aware that OISs have a separate encoding under the first attribute of group SR: Underlying Assets. Therefore, the encoding for the derivative types listed under 'Derivative Types' to which Note 1 in Column A of MAR 11 Annex 1 applies (being

both Fixed-to-Float and OISs) should actually be: *SR**C**(C/D/I/Y)S(C/P)* or *SR**H**(C/D/I/Y)S(C/P)*.

3.12 We have therefore amended Note 1 in MAR 11 Annex 1 to reflect this change

How this links to our objectives

3.13 The new rules will support the FCA objective of market integrity as well as the secondary international competitiveness and growth objective.

3.14 Consistent with our changes to the bond and derivatives transparency regime in PS24/14, we believe the changes in this chapter will make clearer the transparency requirements for bonds and derivatives and equity instruments and improve the quality of transparency information available to firms participating in secondary markets and to end users. This will in turn promote robust price formation, competition and market integrity.

3.15 Our changes promote the secondary international competitiveness and growth objective by ensuring that market participants have access to high-quality market data and therefore have a clearer view of total addressability. The changes are also intended to minimise unnecessary costs to firms and clarify the requirements that apply to them.

Feedback

3.16 We received 3 responses to our proposals. All 3 responses answered our consultation question on the CFI encoding for OISs (question 3.3), whilst one of the responses provided views on all questions within Chapter 3.

3.17 Regarding our proposal on rehousing the provisions in Article 17 of RTS 1 into the framework now provided by MAR 11A, the respondent supported the proposal. However, the respondent thought greater clarity was needed to assess whether the redrafting was a technical exercise or involved substantive change to the transparency regime.

3.18 Regarding our proposal to insert references to individual MAR chapters in Schedule 5 to MAR, the respondent did not support our proposal. The respondent said that we should provide a clearer policy rationale and more granular assessment of deterrence, litigation and Consumer Duty interactions prior to further narrowing private redress.

3.19 On the issue of the CFI encoding for OISs, 1 respondent supported the proposal, and one expressed a preference for the issue to be consulted upon as part of dedicated equity market structure work.

3.20 The third response informed us that the Derivative Service Bureau's (DSB's) Product Committee, an industry representation group which supports the evolution of the DSB's product definitions, conducted a

data review which identified potential duplication of IRS identifiers, specifically in relation to OIS products. The data review also raised broader questions regarding the continued use and necessity of OIS-specific templates following the transition away from LIBOR. On this basis, the Product Committee has approved the decommissioning of the Rates OIS-specific product templates from the list of DSB product definitions. The decommissioning of the OIS-specific templates would result in OIS transactions no longer being associated with OIS-specific CFI codes (eg, SRH) and instead being classified under the CFI codes of non-OIS-specific templates (eg, SRC). We understand however that the Product Committee has yet to set a date on the decommissioning nor has the process of decommissioning commenced.

Our response

3.21 We have rehoused the provisions in Article 17 of RTS 1 into the framework now provided by MAR 11A and simultaneously deleted Article 17 and Annex III from RTS 1. We confirm that the effect of the rehousing is only to move the provision in Article 17 of RTS 1 under MiFID II into MAR 11A.7 and to ensure the text took correct account of how the legislation stood at the point of the UK's exit from the EU with the consequential cross-reference and timing changes introduced in PS25/17. There has been no substantive change to the transparency regime because of this rehousing.

3.22 We have inserted references to individual MAR chapters in Schedule 5 to MAR. The provisions relating to private rights of action are clarificatory in nature and reflect the nature of the rules in the MAR sourcebook and regulation relating to trading venues where professional counterparties participate. That regulation is tailored having regard to the multilateral nature of trading on wholesale venues and the rules of the venues themselves which apply to trading members. More generally, as regards the relationship between members and their clients and the investor protections which continue to be provided, this is reflected in the application provisions in the Conduct of Business sourcebook (COBS).

3.23 We have enabled separate encoding of CFI codes for OISs. Although we are aware that the use of the newly created CFI code will eventually become redundant, there is no timeframe for the phasing out of the reporting under this format. Therefore, there remains a need for the separate encoding, albeit for a finite period of time.

3.24 We have set an implementation period of 3 months from the publication of this Handbook Notice to it entering into force. This implementation period gives market participants, particularly those reporting derivative transactions, sufficient time to implement the necessary systems and governance changes to be able to report through the new encoding. Our conversations with relevant market participants indicate that this time period is sufficient.

3.25 Overall, we are proceeding with the amendments as consulted on. We have, however, made minor drafting changes to the Handbook instrument to correct typographical errors and improve readability. These changes are not significant for the purposes of section 138I(5) of FSMA.

Cost benefit analysis

3.26 Section 138I(2)(a) of FSMA requires us to publish a cost benefit analysis (CBA) when proposing draft rules unless, in accordance with section 138L(3) of FSMA, we believe that there will be no increase in costs or that the increase will be of minimal significance. Section 138S(2)(f) imposes an obligation in relation to technical standards. In Consultation Paper (CP) CP26/8, we explained our view that no CBA was required for our proposals because the amendments would not lead to an increase in costs or the increase would be of minimal significance. Our position remains unchanged.

Equality and diversity statement

3.27 We continue to believe that the rules we have made will not have a negative impact on any of the groups with protected characteristics under the Equality Act 2010 and no concerns were raised during consultation.

Environmental, social and governance considerations

3.28 We have considered the environmental, social and governance implications of our proposals and our duty under sections 1B(5) and 3B(c) of FSMA to have regard to contributing towards the Secretary of State achieving compliance with the net zero emissions target under section 1 of the Climate Change Act 2008. Overall, we do not consider that the proposals are relevant to contributing to those targets.

Rule Review Framework

3.29 We have taken into account our duties under the Rule Review Framework and consider that these changes do not require ongoing monitoring.

CP26/8: Collective Investment Schemes Sourcebook (Statement of Recommended Practice) Instrument 2026

Background

3.30 In October 2025, the Investment Association (IA) published its revised Statement of Recommended Practice (SORP) for authorised funds. A SORP is a sector-specific recommendation set by the Financial Reporting Council (FRC). It explains how the FRC's standards for financial reporting, auditing or actuarial practices should be applied to specialised industries.

3.31 The IA is responsible for producing the SORP for annual and interim financial statements of authorised funds. In April 2025, the IA consulted on a revised edition of SORP. The FCA contributed to the IA's SORP Working Party (SWP), the group dedicated to preparing the revised edition of the SORP.

3.32 The changes in the 2025 SORP edition capture revisions to national financial reporting standards made in the time since the 2014 SORP edition.

3.33 These include simplifying the balance sheet format, refocusing risk disclosures on requirements of accounting standards, and concluding that FRS 104 provides an adequate basis for a condensed format to be used in interim accounts. The IA has also streamlined the SORP, removing some material not supporting compliance with current reporting standards.

3.34 The revised SORP will apply to annual accounting periods of authorised funds beginning on or after 1 January 2026, superseding the previous SORP for authorised funds.

Summary of proposals

3.35 In Consultation Paper (CP) CP26/8, we consulted on proposals necessary or desirable to the Handbook to reflect changes made in the 2025 SORP edition.

3.36 We proposed updating the Glossary definition of SORP to refer to the 2025 SORP edition. We said our proposed amendments would apply immediately to authorised fund managers (AFMs) when the fund's annual accounting period began after the instrument's commencement date. When a fund's annual accounting period began after 1 January 2026, but before the commencement date of the instrument, we proposed allowing the AFM to apply the amended rules.

3.37 We consulted on allowing funds to adopt the 2025 SORP edition for reports covering accounting periods that began prior to 1 January 2026, provided amendments to Financial Reporting Standard (FRS) 102 issued in March 2024 were applied simultaneously, and the disclosure required at paragraph 1.38 of the September 2024 edition of FRS 102 was also made.

3.38 The 2025 SORP edition removed the requirement for the notes to the financial statements to contain a table showing the distribution rate per unit.

3.39 The 2025 SORP edition removed the requirement to publish a reconciliation of the opening and closing numbers of units of each unit class. This required AFMs to show the number of units issued, cancelled and converted in each annual accounting period.

3.40 These changes mean that annual reports will contain less information for investors. It would have been possible for us to reinstate these requirements, for example through adding new rules in COLL. We did not think this was necessarily proportionate and explained this in the consultation.

3.41 To align the terminology in COLL with that in FRS 102, we suggested modifying references to net revenue of an authorised fund, to refer instead to 'net revenue or expense after taxation.'

3.42 Finally, we proposed a minor update to authorised funds' annual accounting periods and accounting reference dates (which is the date in the fund's prospectus that the annual accounting period ends on).

How this links to our objectives

3.43 The Handbook changes advance our strategic objective of ensuring financial markets function well, by balancing the disclosure of decision-useful information against objectives and encouraging AFMs to adhere to accounting best practice, while ensuring the reporting burden remains proportionate.

3.44 The amendments advance the aim of securing appropriate consumer protection by ensuring that AFMs' disclosures are tailored to investors' information needs. They encourage competition by ensuring that disclosure obligations are targeted and proportionate.

3.45 The Handbook changes support the secondary international competitiveness and growth objective, by removing burdensome obligations that may not be decision-useful to investors, which should reduce costs to UK asset managers.

Feedback

3.46 We received three responses to our consultation. One respondent supported the proposals and had no comments.

3.47 Another agreed with the substantive changes but suggested amending the transitional provision. We proposed ending the transitional period on 30 April 2027. This date will fall four months after the last date on which COLL allows a standard annual accounting period to end if it began on 1 January 2026.

3.48 However, the respondent suggested extending the transitional period until 31 December 2027. This is on the basis that FUND 3.3.3R allows a qualified investor scheme (QIS) a period of up to six months for publication of its annual long report. They also noted that schemes may extend their annual accounting period by up to six months where a prospectus is revised to change the accounting reference date. If an AFM wishes to exercise this option for a QIS, the transitional period would need to extend until 31 December 2027 to achieve its aim.

3.49 A third respondent expressed a more nuanced view. They noted that changes to disclosure can influence how performance, risk and costs are understood by investors and distributors. They also noted that operational and data consequences for depositaries and AFMs should not be understated.

Our response

3.50 Given overall support, we will proceed largely as consulted on.

3.51 We will extend the transitional period as proposed in the feedback. We acknowledge that under COLL 8.3.5R, a QIS is allowed a reasonable period for publication, and FUND 3.3.3R allows this to be up to six months after the annual accounting period ends. We also acknowledge that COLL 6.8.2R(3) allows a scheme's prospectus to extend an annual accounting period up to six months, where a prospectus is revised to change an annual accounting date.

3.52 Therefore, the transitional provision will be in force until 31 December 2027.

3.53 We note that changes to presentation and disclosures in fund reports may impact investors' understanding of risks. Having engaged with industry participants and consumer groups while preparing our consultation, we are satisfied that the two proposed changes to disclosure from the previous SORP, that we have not reproduced in COLL, relate to disclosures that previously saw limited engagement from investors.

3.54 Generally speaking, we accept that Handbook changes can have operational consequences for fund managers, but these changes are permissive. We are proposing greater flexibility in the timing of funds' annual accounting period end dates and in when AFMs can apply the 2025 SORP edition. We are not adding any rules requiring authorised funds to make disclosures in annual reports.

3.55 We are proceeding with the changes as consulted (except the extension of the proposed transitional period) and will engage with industry and consumer groups as the changes come into operation. The change to the transitional provision is not significant for the purposes of section 138I(5) of the Financial Services and Markets Act 2000 (FSMA) and will not have an impact on the compatibility statement or the statement relating to the impact on mutual societies in the consultation.

Cost benefit analysis

3.56 Section 138I(2)(a) of FSMA requires us to publish a cost benefit analysis (CBA) when proposing draft rules unless, in accordance with section 138L(3) of FSMA, we believe that there will be no increase in costs or that the increase will be of minimal significance. We consulted on the costs and benefits of our proposals in CP26/8. We do not believe that

our proposed changes and clarifications will alter the costs and benefits for firms. The CBA in CP26/8 remains unchanged.

Equality and diversity statement

3.57 We continue to believe that the rules we have made will not have a negative impact on any of the groups with protected characteristics under the Equality Act 2010 and no concerns were raised during consultation.

Environmental, social and governance considerations

3.58 We have considered the environmental, social and governance implications of our proposals and our duty under sections 1B(5) and 3B(1)(c) of FSMA to have regard to contributing towards the Secretary of State achieving compliance with the net zero emissions target under section 1 of the Climate Change Act 2008. Overall, we do not consider that the proposals are relevant to contributing to those targets.

Rule Review Framework

3.59 We have taken into account our duties under the Rule Review Framework and consider that these changes do not require ongoing monitoring.

CP25/37: Targeted Clarifications of Handbook Materials Instrument 2026

Background

3.60 These changes are being made as part of the Consumer Duty Requirements Review and is part of the workplan we announced in March 2025 Feedback Statement (FS) FS25/2. This aims to simplify our requirements by relying more on high-level rules, while ensuring we continue to support and protect consumers.

3.61 In some areas, market practice has moved on from when we made the rules, while changes to our wider requirements have made other rules unnecessary. We want to make sure we remove outdated elements or bring them up to date. This will keep our Handbook accessible to firms of all sizes.

3.62 These proposals are intended to support the priorities set out in our Strategy (including being a smarter regulator, supporting growth and helping consumers navigate their financial lives) by clarifying our expectations and allowing firms more flexibility to innovate.

Summary of proposals

3.63 The Targeted Clarifications of Handbook Materials Consultation Paper (CP) CP25/37 also included proposals relating to the Collective Investment Schemes sourcebook (COLL) and the Client Assets (CASS).

Please note the COLL proposals were addressed in a separate notice and so do not appear here. The CASS proposals are presented in a separate section of this notice.

Small Firms Guide Pilot

3.64 In CP25/37, we proposed developing a directory-style Small Firm Guide, with examples of good and poor practice, to help smaller firms interpret and apply our requirements in a proportionate manner. Our pilot guide for small credit brokers was published on 20 May 2026.

Simplifying insurance and funeral plan rules

3.65 These proposals aim to simplify aspects of the regulatory framework for non-investment insurance business and funeral plans. They build on feedback received on the further proposals in CP25/12. This is also in line with our Regulatory Priorities: Insurance report.

Proposals

1. Payment protection Insurance (PPI) and Packaged Bank accounts (PBA)

- The market for these products has significantly changed in recent years. PPI is now rarely sold, and PBAs have declined in popularity as travel insurance which once formed the core of these accounts, has become more widely available as a standalone product.

- We proposed to delete PPI-specific rules on customer eligibility and disclosure, and to delete the PBA-specific suitability of advice and annual eligibility statement requirements. These proposals were on the basis that the Duty and broader ICOBS rules on eligibility and advice provide sufficient protections to ensure firms identify client needs and provide appropriate support and, where relevant, suitable advice.

- Alongside deleting the specific PPI and PBA rules, we proposed to add non-product specific guidance on eligibility further explaining our expectations under the Duty.

2. Product governance requirements in relation to value measures

- As part of our work on insurance value measures, we introduced PROD 4.5 requirements for firms to actively assess whether certain general insurance products (home insurance, motor insurance etc.) offer fair value to customers. The introduction of additional rules in PROD 4.2 and PROD 4.3, in the context of the General Insurance Pricing Practices (GIPP) work, extended the fair

value requirements to all general insurance and pure protection products.

- We proposed the removal of PROD 4.5 entirely because its requirements largely duplicate the subsequent, and more extensive requirements in PROD 4.2 and PROD 4.3. We also proposed moving the requirement for distributors to consider value measures information in PROD 4.5.7R(1) to ICOBS 5.2, which covers demands and needs, to help to focus expectations on whether firms should continue to sell particular products taking value measures into account (as opposed to whether a product offers fair value).

3. 12-month minimum review frequency for funeral plans

- We introduced funeral plan regulation in 2022, at which point we considered a mandatory 12-month product review was appropriate to prevent harm. In light of developments in regulation, we proposed replacing the 12-month minimum frequency for reviewing funeral plan products with a more flexible approach taking into account the scope for harm.

- Policy Statement (PS) PS25/21 finalised the removal of the 12-month minimum review requirement for non-investment insurance products and implemented a more flexible approach of periodic reviews. Replacing the same requirement in the funeral plans market with a flexible approach mirrors those changes.

4. Pricing record retention rule

- We proposed to delete ICOBS 6B.2.57R which requires firms to share pricing governance records with the senior manager responsible for FCA reporting. This rule was introduced in 2022 to support the General Insurance Pricing Attestation (REP022), a formal attestation from the senior manager. In 2025 we decommissioned REP022, as it was no longer considered an essential or proportionate way to monitor firms' compliance. As ICOBS 6B.2.57R is directly tied to REP022, it has become redundant and ineffective, following removal of ICOBS 6B.2.60R. Removing this rule ensures consistency within the Handbook and reduces regulatory obligations for firms. Senior managers remain accountable for compliance under the Senior Managers and Certification Regime (SMCR), and firms must still maintain appropriate governance and controls over pricing practices.

5. Updating and removing references to Principles 6 and 7 and Treating Customers Fairly

- Before the Duty applied, several of our expectations about our relevant standards were covered to some extent in the FCA's Principles for Business under Principles 6 and 7. To avoid overlapping

standards applying to firms, we made PRIN 3.2.10R which provides that Principles 6 and 7 do not apply to a firm's activities to the extent that Principle 12 and PRIN 2A apply. However, there remain references in our Handbook to the previous standards. We received feedback from stakeholders that these outdated references are causing confusion. We are therefore updating references to Principles 6 and 7 to reflect the scope of their application following the introduction of the Consumer Duty and improve the clarity of our rules and expectations.

- These changes are designed to improve the efficiency of our requirements by reducing the time, cost and complexity involved in meeting our expectations while ensuring good customer outcomes.

Our changes include:

- Updating references to Principles 6 and 7 to reflect the scope of their application following the Duty's introduction.

- Remove materials from our website related to Principle 6. This includes historic guidance relating to the 'Treating Customers Fairly' (TCF) initiative.

- Removing guidance on the Responsibilities of Providers and Distributors for the Fair Treatment of Customers (RPPD).

Examples of such publications include:

- Treating customers fairly – towards fair outcomes for consumers (2006), which set out the outcomes the FSA was looking to achieve through its TCF initiative, and areas where further work was required from firms on implementing TCF.

- Treating customers fairly – guide to management information (2007), which helped firms develop management information to demonstrate that they are treating their customers fairly.

- Treating customers fairly – culture (2007), which set out the FSA's expectations and frameworks for assessing culture.

- Our website's Fair treatment of customers page, which includes the outcomes set out under the TCF initiatives, comments on Principle 6, and several other points on firms' treatment of customers.

How this links to our objectives

3.66 We expect that by reducing the time, cost and complexity involved in meeting our rules and expectations, we will be able to protect consumers while facilitating the international competitiveness and growth of financial services in the UK.

Feedback

Updating and removing references to Principles 6 and 7 and Treating Customers Fairly

3.67 Overall, responses related to Principle 6 and 7 references were strongly supportive. One respondent raised concerns that some changes proposed to ICOBS 5.1.1(3) are disproportionate and inconsistent and that changes relating to value measures data lack clarity for distributors. Respondents generally supported removal of TCF materials with some suggestions to assist clarification by, for example, updating older webpages.

3.68 We were also encouraged by some respondents to verify that content that may still be useful to firms will not be lost through our approach. One respondent had concerns that some of the RPPD guidance isn't covered by the Duty, particularly where multiple firms are involved in a distribution chain.

Simplifying insurance and funeral plan rules

3.69 We received 8 responses to our chapter, including from firms and trade bodies. While most respondents agreed with the proposed changes, a few points for clarification were raised.

1. PPI and PBA

- Respondents broadly supported removing PPI and PBA specific rules and introducing non-product specific guidance on eligibility. However, a few respondents disagreed as they felt this new guidance would be disproportionate and inconsistent with the manner in which insurance business operates and would go beyond clarification to create new obligations.

- A respondent asked for clarity on how the guidance would operate for distributors selling pure protection products, which are non-renewable and customers' circumstances could change and impact their eligibility to claim benefits during the term of the policy. Where a customer has not declared changes in their circumstances, the distributor may be unaware of changes affecting a customer's eligibility to claim benefits under the policy.

2. Product governance requirements in relation to value measures

- Respondents broadly supported this removal. A few respondents considered moving PROD 4.5.7R(1) to ICOBS 5.2 to be either unnecessary (as they felt it duplicated what is required by PROD 4.3.6AR) or inappropriate (the rationale given was that ICOBS rules

operate at customer level, whereas PROD rules operate at a more general product level).

3. 12-month minimum review frequency for funeral plans

- There was broad support for this proposal.

4. Pricing record retention rule

- Respondents broadly supported this proposal.

Small Firms Guide Pilot

3.70 Feedback has shown support for our proposals, including piloting the first Guide within the credit broking portfolio. Common areas of feedback included:

- **Proportionality** – respondents highlighted the Guide should provide clarity on what proportionate application of our rules can look like for smaller firms.

- **Variety of case studies** – there was strong support for the inclusion of good practice examples, while respondents specified case studies should be illustrative for different firm types, sizes and business models to ensure broad applicability.

- **Simplicity and accessibility** – respondents supported the proposed direction of clear messaging, with simple and plain language summaries to help firms navigate our requirements in a more practical way.

3.71 Stakeholders also provided suggestions for those areas where they felt smaller firms would benefit from practical examples of application. This included suggested case studies on aspects of the Consumer Duty, the governance of Appointed Representatives and supporting consumers in vulnerable circumstances.

Our response

3.72 No changes have been made to the instrument from the consultation draft that have an impact on the compatibility statement in the CP.

Updating and removing references to Principles 6 and 7 and Treating Customers Fairly

3.73 We are moving forward with the proposals consulted on. We understand that some firms may find the RPPD useful as a legacy document. However, it is no longer directly applicable under the current product governance rules. Removing the guidance aligns with our motivation to streamline our rulebook to reflect the Duty. We will move forward

with updating our website and retiring the RPPD. Our planned June 2026 consultation on Duty scope and distribution chains will provide an opportunity for firms to feed back if there are any gaps in our expectations.

Simplifying insurance and funeral plan rules

1. PPI and PBA

- In our view, our proposed eligibility guidance restates existing expectations (including under the Duty) to support customers so they can make informed decisions and does not introduce new obligations. Before the conclusion of a policy, we expect firms to consider eligibility and inform the customer if parts of the cover would not apply, so they can take an informed decision on whether to buy the policy. We also expect a firm to inform the customer in good time, of any changes that could potentially affect their eligibility, but only where a firm was informed or reasonably ought to know about these changes in advance. For example, a firm should know when a customer will reach an age limit (eg, for travel insurance in PBAs).

- In line with the Consumer Duty, to support consumer understanding we would expect firms to highlight key eligibility information (including that changes in circumstances should be notified to the firm as it may potentially affect their eligibility to claim benefits), rather than relying on customers understanding (or obtaining) this information themselves from the terms and conditions. This is likely to be particularly important for long-term pure protection products where eligibility may depend more on customer declared updates such as changes in income, or the customers employment, or health status. Providing this information at inception will help prevent foreseeable harm (eg, discovering non- coverage at claim stage) and encourage customers to report changes so firms can review coverage and provide appropriate support throughout the product lifecycle.

- We are giving firms 1-month implementation period to consider and, where necessary, adapt to changes to the guidance in ICOBS 5.1 before it takes effect. We consider that the guidance just clarifies existing expectations that firms should already be following. However, during this time firms will be able to consider and, if needed, refine their processes to ensure they are fully meeting our expectations.

- We have finalised the rules related to PPI and PBAs as consulted, as the types of issues these rules were intended to address are now less likely to arise. The changes to ICOBS 5.3.2G, ICOBS 5.3.2AR and ICOBS 5.3.2BR intend to simplify suitability of advice obligations in respect of PPI and PBAs, whilst providing sufficient protections under

existing rules (including Principle 9, general ICOBS rules and the Consumer Duty).

2. Product governance requirements in relation to value measures

- Following the feedback, we have proceeded with the removal of PROD 4.5 entirely. Respondents agreed with us that it is important for distributors to consider the impact of their distribution on the value of products and whether they should continue distributing them. PROD 4.3.11AR requires distributors to take action where they identify a product may not be providing fair value to customers. This includes notifying the manufacturer and taking mitigating actions, which may include ceasing to offer the product. The value measures data is something which distributors should consider, alongside other information they receive from the manufacturer.

- After carefully considering the feedback, we have decided not to move the requirement in PROD 4.5.7R(1) to ICOBS 5.2. Our PROD rules are clear that manufacturers are primarily responsible for fair value assessments at product level; however, we expect distributors to understand the value of the product (including through considering relevant data, such as value measures) and take action if they identify issues. We consider it positive that respondents agree with us that PROD 4.3 already captures fully the requirement for distributors to consider value measures information and take appropriate steps where there are issues. As a result, we are satisfied that including this requirement in ICOBS 5.2 is not necessary.

3. 12-month minimum review frequency for funeral plans

- We will implement the rules as set out in the CP, removing the 12-month minimum review requirement for funeral plans.

4. Pricing record retention rule

- We will implement the rules as set out in the CP, removing the record retention rule related to pricing compliance attestations.

Small Firms Guide Pilot

3.74 On 20 May 2026, we published the pilot Guide on our on our website, integrating the feedback received where appropriate. It was not possible to include case studies on every area highlighted by stakeholder feedback. This includes on areas subject to ongoing legislative or policy developments, or where there would be limited value for most firms. Additionally, we have focused on examples of good practice rather than poor practice, as proportionality is clearer

and more understandable in this context. However, the Guide will be regularly reviewed and updated where necessary.

3.75 We welcome feedback on the Guide's usefulness and areas where it could be improved. You can provide feedback by emailing ReviewOfRequirementsCFI@fca.org.uk or by completing our feedback form.

3.76 We also heard from stakeholders outside of the credit broking portfolio who expressed an interest in a similar guide for their sectors. This includes insurance intermediaries, financial advisers and mortgage intermediaries. We will continue to engage with these stakeholders on whether it would be appropriate to adopt a similar style guide as we consider next steps beyond this pilot.

Gibraltar-based firms and firms in supervised run-off (SRO)

3.77 Where existing rules apply to Gibraltar-based firms and firms in supervised run-off (SRO) (referred to as TP firms in the FCA Handbook), the amendments in this Handbook Notice will apply to those firms too.

Cost benefit analysis

3.78 Section 138I(2)(a) of the Financial Services and Markets Act 2000 (FSMA) requires us to publish a cost benefit analysis (CBA) when proposing draft rules unless, in accordance with section 138L(3) of FSMA, we believe that there will be no increase in costs or that the increase will be of minimal significance. We consulted on the costs and benefits of our proposals in CP25/37. We do not believe that our proposed changes and clarifications will alter the costs and benefits for firms. The CBA in CP25/37 remains unchanged for the proposals within the chapters relating to simplifying insurance and funeral plan rules and updating and removing references to Principles 6 and 7 and Treating Customers Fairly.

Equality and diversity statement

3.79 We continue to believe that the rules we have made will not have a negative impact on any of the groups with protected characteristics under the Equality Act 2010 and no concerns were raised during consultation.

Environmental, social and governance considerations

3.80 We have considered the environmental, social and governance implications of our proposals and our duty under section 1B(5) and section 3B(c) of FSMA to have regard to contributing towards the Secretary of State achieving compliance with the net zero emissions target under section 1 of the Climate Change Act 2008. Overall, we do not consider that the proposals are relevant to contributing to those targets.

Rule Review Framework

3.81 We have taken into account our duties under the Rule Review Framework and consider that these changes do not require ongoing monitoring.

CP25/37: Targeted Clarifications of Handbook Materials Instrument 2026 (continued)

Background

3.82 In Feedback Statement (FS) FS25/2, we committed to consulting on targeted amendments to the Client Assets sourcebook (CASS) where there are opportunities to reduce administrative burdens for firms, while maintaining high standards of protection for client money and custody assets. As part of that work, we reviewed areas of the CASS rules that were giving rise to recurring breaches, operational complexity and inconsistent application of the rules.

3.83 In Consultation Paper (CP) CP25/37, we proposed a series of targeted amendments to CASS 6 and 7 that apply across all types of client relationships to provide clarity for firms and auditors and reduce administrative burden while aligning with operational realities.

Summary of proposals

3.84 In the consultation, we proposed:

- Changes to record-keeping requirements relating to due diligence over third parties holding client assets, including aligning retention periods so that records are retained for a defined period from creation or last modification.

- Changes to the external custody reconciliation rules in CASS 6, including recognising the use of specified third-party records where appropriate conditions are met and allowing limited flexibility in reconciliation frequency where firms cannot obtain third-party statements for reasons outside their control.

- Targeted clarifications on the interaction between CASS and the Consumer Duty in relation to the retention of interest on client money and the use of retail clients' safe custody assets.

- Greater clarity and flexibility in the treatment of bank interest earned on client money under CASS 7, including an option to treat interest received before it is due and payable to clients as unallocated client money until that point, and limited circumstances in which firm-owed interest may be received into a client bank account, subject to prompt removal.

How this links to our objectives

3.85 These changes advance the FCA's operational objectives of consumer protection and market integrity by improving clarity and consistency in the application of the CASS regime, while ensuring that client money and safe custody assets continue to be appropriately safeguarded. They changes support effective compliance and more consistent supervisory and audit outcomes. They also align with the aims of:

- the Consumer Duty Requirements Review;
- our secondary international competitiveness and growth objective; and
- our 5-year strategy to be a more proportionate, effective and outcomes-focused regulator.

Feedback and our response

3.86 No changes have been made to the instrument from the consultation draft that have an impact on the compatibility statement in the CP.

Due diligence record-keeping requirements

3.87 We received 15 responses to our proposal that firms retain due diligence records for 5 years from the date they are created or last modified, rather than 5 years after the relevant relationship with the third party ends. Respondents were broadly supportive, noting that the change would improve clarity, better align with other CASS record-keeping requirements, and reduce ongoing technical breaches and audit issues linked to missing historic records.

3.88 Several respondents sought clarification on how the revised requirement would apply to long-standing relationships where initial due diligence documentation is no longer available. Some also suggested that further flexibility would be needed to more fully address persistent breaches and reduce administrative burden.

3.89 We are proceeding with the due diligence record-keeping requirement as proposed. Firms must retain due diligence records for 5 years from the date they were created or last modified. This approach avoids ongoing breaches arising from historic failures to retain due diligence in long-standing third-party relationships, while maintaining robust due diligence standards on an ongoing basis.

Record sources for the external custody reconciliation

3.90 We received 14 responses to our proposal to permit firms to use Euroclear UK and International's (EUI) Investment Fund Service (IFS) System Record for external custody reconciliations, subject to conditions to ensure accuracy and reliability. Most respondents

supported the proposal, noting that it reflects existing practice, improves clarity and supports operational efficiency.

3.91 Some respondents suggested extending the approach to other third-party record sources.

3.92 We are proceeding with permitting the use of EUI's IFS System Record for external custody reconciliations as consulted on. The system is already used by some firms under existing waivers, which has demonstrated that it can provide reliable and timely custody information. Formal recognition of the system as an external record source provides firms with additional flexibility in how they meet the external custody reconciliation requirements. The related updated guidance notes that daily reconciliations when using EUI's records would be best practice.

3.93 While we are implementing targeted changes to CASS rules at this stage, we will consider our approach to other entities or alternative data sources where opportunities to do so arise.

Statement frequency for external custody reconciliation

3.94 We received 15 responses to our proposal to allow firms to perform external custody reconciliations less frequently where they are unable to obtain statements from third parties on at least a monthly basis. Respondents broadly supported the principle of the proposal and welcomed the additional flexibility.

3.95 However, several respondents raised concerns about the operational complexity of the proposed conditions, particularly around documentation expectations, repeated evidence of reasonable endeavours and the potential for inconsistent audit outcomes. A small number of respondents suggested extending the exemption to cover circumstances where third parties materially fail to provide statements, rather than only where they explicitly refuse to provide information at the requested frequency.

3.96 We have updated the drafting to clarify that, when a firm first becomes aware that it will be unable to carry on external custody reconciliations at least monthly as a result of a third party's refusal to provide the records, it is required to make a record of the endeavours it made to obtain information from that third party at the required frequency, and the reasons why this was not possible. Where the underlying circumstances remain unchanged, firms are not expected to create repeated records.

3.97 The exemption to completing external custody reconciliations at least monthly only applies where either:

- a third party fails to provide information on time and that failure is attributable to factors inherent to the relevant safe custody assets (such as insolvency or de-listing); or

- a third party refuses to provide information at the requested frequency and it is not practicable for the firm to use a different third party in relation to those assets.

3.98 It does not apply where a third party fails to provide information for reasons unrelated to the relevant safe custody assets, such as systems outages or operational issues, or in circumstances where alternative third parties could, in principle, be used in relation to those assets. In such instances, this may constitute a breach of CASS 6.6.37R(1). Where this situation persists or recurs, firms should consider their wider due diligence obligations and whether the relevant third-party arrangement remains appropriate. These issues should be addressed through firms' existing systems and controls, including ongoing oversight of third-party relationships.

3.99 Where a firm relies on the exemption, it must continue to conduct external custody reconciliations at the greatest frequency possible and undertake an annual review to assess whether the circumstances giving rise to using the exemption continue to apply.

Application of the Consumer Duty in CASS 6.4 and CASS 7.11

3.100 We received 16 responses to our proposal to clarify that firms may only retain interest earned on retail client money where they have notified the client and doing so is compatible with the Consumer Duty. While a majority supported the underlying objective of ensuring that firms only retain interest on retail client money where clients have been clearly notified and doing so is compatible with the Consumer Duty, many respondents raised concerns that referring to the Duty within CASS could create duplication or ambiguity. Several respondents asked for clarity on how firms should assess and evidence compliance with this requirement.

3.101 We received 11 responses to our proposal to clarify that firms must comply with the Duty when gaining consent for, and using, retail clients' safe custody assets for securities financing transactions. Most respondents supported the underlying consumer protection objective. However, two respondents raised concerns that the proposed drafting of the rule could inadvertently capture ordinary settlement activity in commercial settlement systems, including temporary intraday use arising from settlement sequencing. They asked for clarification that this activity is not caught by the prohibition on 'otherwise using' retail clients' safe custody assets, in alignment with the FCA's position set out in Policy Statement (PS) PS17/14.

3.102 We received 13 responses to our proposal to exclude the amended CASS 6.4 and CASS 7.11 provisions from the scope of the CASS audit. Respondents broadly supported the exclusion, while emphasising the importance of avoiding audit creep and inconsistent audit approaches if Duty compliance were assessed through the CASS audit. A small number of respondents raised concerns about the potential for increased cost and complexity if the scope of the CASS audit were expanded.

3.103 We intend to proceed with the proposals to clarify how the Consumer Duty applies to certain requirements in CASS 6 and 7.

3.104 The explicit reference to the Duty is intended to clarify how firms' obligations under CASS should be read alongside their wider obligations when dealing with retail clients and to support consistent interpretation in supervisory and enforcement contexts. Compliance with specific notification or consent requirements in CASS sits alongside, and does not outweigh or displace, firms' broader responsibilities under the Consumer Duty. The changes do not expand the scope of CASS or the Consumer Duty and do not change how firms should comply with the Duty.

3.105 To address concerns about audit burden and the risk of audit scope creep, we have amended SUP 3.10 to make clear that CASS auditors are not expected to assess Duty compliance when preparing a client assets report in relation to these provisions. However, auditors remain subject to their existing statutory duty to report certain matters to the FCA under section 342(5) and section 343(5) of the Financial Services and Markets Act 2000 (FSMA).

3.106 In relation to securities financing transactions, we have clarified that the prohibition on 'otherwise using' retail clients' safe custody assets is not intended to prevent ordinary settlement activity carried out through commercial settlement systems. The rule has been updated to reflect that such activity may involve the use of one or more omnibus accounts. Firms must have adequate organisational arrangements in place to minimise the occurrence of such situations and mitigate the risk of loss or diminution of retail clients' safe custody assets. These clarifications are consistent with the FCA's position set out in PS17/14 and are intended to avoid unintended disruption to normal settlement processes.

3.107 Finally, to address concerns about legal ambiguity and litigation risk, we have removed private rights of action for breaches of the Consumer Duty as it is referenced in the relevant CASS provisions on retained interest and securities financing transactions. This aligns the position for these particular CASS provisions with PRIN, under which private persons do not have a right of action under section 138D(3) of FSMA. It avoids unintended outcomes where references to the Duty in CASS

could otherwise be used to bring claims that would not be possible under PRIN itself.

Firm-owed interest received into client bank accounts (not as part of a mixed remittance)

3.108 We received 17 responses to our proposal to permit firm-owed interest to be received into client bank accounts in limited circumstances and subject to conditions. Most respondents supported the proposal as a pragmatic response to operational constraints outside firms' control, noting that it would reduce rule breaches while maintaining the segregation of client money.

3.109 Several respondents sought clarification on how the requirement to remove firm-owed interest within one business day should operate in practice, particularly whether the timeframe should run from the point at which the firm can reasonably identify and apply the interest following reconciliation, rather than from the point of receipt by the bank.

3.110 A number of respondents also asked for clarity on evidential and record-keeping expectations, including what evidence firms should retain to demonstrate that they have requested alternative arrangements from their bank and how frequently such requests would be expected. Some respondents also suggested extending the approach to other firm-owed amounts, such as fees, or sought clearer alignment with existing CASS provisions to avoid inconsistent interpretation.

3.111 We have amended the rules to remove references to 'any receipt' and a firm's 'expectation of receipt' of firm-owed interest, which respondents indicated were not well understood and could suggest a need to anticipate receipts or apply the rule on a transaction-by-transaction basis. The revised drafting instead focuses on situations in which a firm might receive firm-owed interest into a client bank account.

3.112 We have added guidance clarifying when a firm may reasonably expect to receive the sort of firm-owed interest to which the rule applies. This includes, for example, situations where the terms of the relevant client bank account provide for interest to be paid and the firm has agreed with its client that such interest will belong entirely to the firm. While the rule continues to require firms to request that the relevant bank pay such interest into a separate firm account, the guidance clarifies that this request need only be made once in relation to each relevant client bank account and that a single request may cover multiple accounts where these are clearly identified. The guidance also confirms that requests may be made using electronic communications, including email, consistent with existing Handbook provisions.

3.113 We have retained the requirement that, where a bank does not comply with a firm's request, firm-owed interest must be removed promptly and no later than one business day after receipt, to ensure that any risk arising from a failure to maintain segregation is addressed without delay.

3.114 In relation to suggestions to extend this approach to other firm-owed amounts, such as fees, or to make wider changes to align the treatment of such amounts across CASS, implementing such changes would involve broader consideration of CASS 7 and the potential implications for client money protections. We note this feedback and will consider it further where future opportunities arise to do so.

Bank interest received before it is due and payable to the client

3.115 We received 15 responses to our proposal to permit firms to treat certain bank interest receipts as unallocated client money from the point of receipt, where all or part of the interest will become due and payable to the client at a future date.

3.116 Most respondents supported the underlying objective of the proposal and the flexibility it provides. A few were concerned that the proposal could be interpreted as introducing new or onerous record-keeping requirements, including uncertainty about whether elections would need to be made at an individual client or transaction level. Others highlighted uncertainty about the timing of allocation, including what it means for a firm to be 'in a position to allocate' interest and how the requirement to allocate 'as soon as possible' should operate in practice. Respondents warned that these uncertainties could lead to inconsistent audit judgments and unwarranted breaches.

3.117 We have clarified how firms may make an election to treat certain bank interest receipts as unallocated client money. This reflects the fact that the issue typically arises due to a misalignment between the contractual date on which interest becomes due and payable to clients, and the date on which third-party banks remit interest into client bank accounts. The rules now make clear that the election may be made once in relation to all current or future clients, or may instead be limited to particular named clients or an ascertainable line of business.

3.118 We have amended the drafting to clarify that when a firm is able to allocate the interest receipt it must make the allocation in accordance with its agreement with the client and remove any money allocated to the firm by no later than the following business day.

3.119 A firm is not required to make the election, and where it does not do so (whether generally or in relation to a particular client), the other client money rules continue to apply. The election is intended to provide firms with flexibility in circumstances where there is a misalignment between

the contractual timing for when interest becomes due and payable to clients, and the point at which third-party banks remit interest into client bank accounts.

Gibraltar-based firms and firms in supervised run-off (SRO)

3.120 Where existing rules apply to Gibraltar-based firms and firms in supervised run-off (SRO) (referred to as TP firms in the FCA Handbook), the amendments in this Handbook Notice will apply to those firms too.

Cost benefit analysis

3.121 Section 138I(2)(a) of FSMA requires us to publish a cost benefit analysis (CBA) when proposing draft rules unless. In accordance with section 138L(3) of FSMA, we believe that there will be no increase in costs. We consulted on the costs and benefits of our proposals in CP25/37. We do not believe that our proposed changes and clarifications will alter the costs and benefits for firms. The CBA in CP25/37 remains unchanged.

Equality and diversity statement

3.122 We continue to believe that the rules we have made will not have a negative impact on any of the groups with protected characteristics under the Equality Act 2010 and no concerns were raised during consultation.

Environmental, social and governance considerations

3.123 We have considered our duty under section 3B(1)(c) of FSMA to have regard to the need to contribute towards the Secretary of State achieving compliance with the net zero target, in section 1 of the Climate Change Act 2008, and the Government's environmental targets, in section 5 of the Environment Act 2021. Balancing all other factors, we do not think there is any contribution the proposals can make to these targets.

Rule Review Framework

3.124 These changes are focused on streamlining the framework by removing obsolete rules, revising provisions to enhance flexibility, and introducing proportionate measures that reduce regulatory burden.

3.125 Whilst we do not propose an active plan to monitor the outcomes of our intervention, we will monitor this through some of the sources referred to in the Rule Review Framework. We will continue to monitor compliance with our rules through our current supervisory approach, and we will continue to engage with industry and trade bodies for feedback on the results of our intervention.

4 Additional information

Making corrections

4.1 The FCA reserves the right to make correctional or clarificatory amendments to the instruments made at the Board meeting without further consultation should this prove necessary or desirable.

Publication of Handbook material

4.2 This notice is published on the FCA website and is available in hardcopy.

4.3 The formal legal instruments (which contain details of the changes) can be found on the FCA's website listed by date, reference number or module at www.handbook.fca.org.uk/instrument. The definitive version of the Handbook at any time is the version contained in the legal instruments.

4.4 The changes to the Handbook are incorporated in the consolidated Handbook text on the website as soon as practicable after the legal instruments are published.

4.5 The consolidated text of the Handbook can be found on the FCA's website at www.handbook.fca.org.uk/. A print version of the Handbook is available at https://finreg-e.com/fca-handbook-print-and-subscription-service/.

4.6 Copies of the FCA's consultation papers referred to in this notice are available on the FCA's website.

Obligation to publish feedback

4.7 This notice fulfils for the relevant text made by the Board the obligations in sections 138I(4) and (5) and similar sections of the Financial Services and Markets Act 2000 ('the Act'). These obligations are: to publish an account of representations received in response to consultation and the FCA's response to them; and to publish (where applicable) details of any significant differences between the provisions consulted on and the provisions made by the Board, with a cost benefit analysis and a statement under section 138K(4) of the Act if a proposed

altered rule applies to authorised persons which include mutual societies.

Comments

4.8 We always welcome feedback on the way we present information in the Handbook Notice. If you have any suggestions, they should be sent to handbook.feedback@fca.org.uk (or see contact details at the end of this notice).

Annex

List of non-confidential respondents

We are required by section 138I(4A) of the Act to include a list of the names of respondents to rules consultations where the respondent has consented to the publication of their name. This annex lists the names of consenting respondents for consultations where those names are not otherwise listed in a separate consultation response document.

CP26/8: Markets in Financial Instruments (Equity Transparency) Instrument 2026

CP26/8: Technical Standards (Markets in Financial Instruments Regulation) (Equity Transparency) (Amendment) Instrument 2026

David Bryden, Fractyl Consulting

International Swaps and Derivatives Association, Inc. (ISDA)

Derivatives Service Bureau (DSB)

CP26/8: Collective Investment Schemes Sourcebook (Statement of Recommended Practice) Instrument 2026

Fractyl Consulting

Hargreaves Lansdown

Investment Association

CP25/7: Targeted Clarifications of Handbook Materials Instrument 2026

AJ Bell

Allianz

Association of Financial Mutuals (AFM)

British Insurance Brokers' Association

Capita Experience

Capita Pension Solutions Limited (CPSL)

Consumer Credit Trade Association

Co-op Funeral Plans Limited

Credit Services Association

Interactive Brokers

Lloyds Banking Group (LBG)

Lloyd’s Market Association

Markerstudy

MUFG Corporate Markets Trustees (UK) Limited

The Association of Mortgage Intermediaries

The Investing and Saving Alliance (TISA)

The Investment Association (IA)

The UK Depositary Association (UKDA)

Wise

Handbook Notice 142

This Handbook Notice describes the changes to the Handbook and other material made by the Financial Conduct Authority (FCA) Board under their legislative and other statutory powers on 25 June 2026.

It also may contain information about other publications relating to the Handbook and, if appropriate, lists minor corrections made to previous instruments made by the Board.

Contact names for the module is listed in the relevant consultation paper referred to in this notice.

General comments and queries on the Handbook can be addressed to:

Lisa Ocero
Tel: 020 7066 0198
Email: Lisa.Ocero@fca.org.uk

However, queries on specific requirements in the Handbook should be addressed first to your normal supervisory contact in the FCA. For most firms this will be the FCA's Contact Centre:

Tel: 0300 500 0597
Fax: 0207 066 0991
Email: firm.queries@fca.org.uk
Post: Contact Centre
Financial Conduct Authority
12 Endeavour Square
London E20 1JN

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