



Transition to the Financial Conduct Authority New FCA Rulebook

The UK Regulator, the Financial Services Authority is moving to a 'twin peaks' regulatory structure with effect from 1 April 2013. This means that responsibility for financial services regulation will be split between two new bodies: the Financial Conduct Authority ('FCA') and Prudential Regulatory Authority ('PRA'). The Financial Conduct Authority ('FCA') is due to replace the existing regulator, the Financial Services Authority ('FSA') with effect from 1 April 2013.

Attached is a link to a recent FSA update regarding the forthcoming transition of the FSA handbook. For FCA regulated firms, it is anticipated that many of the existing FSA rules will be designated as FCA rules and will be transferred unchanged. However new rules will also be introduced on FCA implementation.

Firms will need to ensure that internal compliance manuals are fully reviewed and updated to reflect any required FCA implementation rule changes including where relevant replacing the name of the regulator from that date. Any external communications i.e. letterheads, email footers, websites, client terms of engagements and disclosure documents that mention the FSA will also have to be updated from 1 April 2013 (but not before). For external communications a transition period of up to six months from that date is anticipated (but not yet confirmed).

http://www.fsa.gov.uk/smallfirms/resources/one_minute_guides/about_fsa/handbook-pra-fca.shtml

We expect to see further more detailed communications from the FSA over the next month outlining any major impacts. Firms should ensure that they check the FSA website regularly, including the Small Firms section, to keep up to date with any transition requirements.

The above note is intended as a summary only of the forthcoming changes, and is not full and/or firm specific advice. For further information, or for enquiries on support for FCA implementation, please contact Gillian Gallacher.