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Our ref: Consultations

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Dear Mr Wellmann

Implementing MiFID's Client Categorisation Requirements

The Panel welcomes the publication of this informal paper which provides a valuable early sight of the FSA's thinking on implementing MiFID client categorisation requirements and related issues.

From the consumer perspective one of the key points will be for firms to have effective procedures in place to ensure that, where appropriate, "professional clients" are informed of their right to be treated as "retail clients" as a matter of course and that the advantages of them doing so are clearly set out.

As regards non-MiFID and mixed scope firms, we agree that option three¹ would seem to be the most pragmatic approach and the least confusing for clients.

Yours sincerely



John Howard
Chairman
Financial Services Consumer Panel

¹ Use the nomenclature of MiFID categorisation to all non-MiFID business but provide modified definitions or criteria and the use of grandfathering, where appropriate