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1 February 2008
Our ref:CP08/1

Dear Sally

CP08/1* Quarterly Consultation No 15 – Chapter 7

This is the Financial Services Consumer Panel's response to the proposals in Chapter 7 of CP08/1* Quarterly Consultation No 15.

As regards the definition of 'income property' in the Glossary of Definitions to the Handbook, we agree that the current position is detrimental to consumers' interests. There is a real need for clarity here and it is important that what could have been the key driver for investors choosing a particular fund – the maintenance of the 'buying power' of their original capital – is not unintentionally removed. The proposed remedy of amending the Glossary seems entirely appropriate and proportionate. We support this proposal.

We also agree with the FSA's proposals on electronic signatures. The IMA guidance referred to in the Paper would have implications for consumers and, if presented to the FSA for formal confirmation the Panel would like to take the opportunity to comment on it at an early stage, in accordance with the established procedures for confirmation. If no industry guidance is produced and/or confirmed, we would like the FSA to consider issuing its own guidance for firms.

Yours sincerely,



John Howard
Chairman