



**Isle of Man
Financial Supervision Commission
Financial Services Act 2008 – Licence**

Barclays Private Clients International Limited

Conditions

The following conditions are imposed in respect of the regulated activities undertaken.

1. The licenceholder's regulated activities are restricted to the following:
 - Class 1 – deposit taking; and
 - Class 2 – investment business – sub-classes (3) to (7) inclusive.

Signed on the authority of the Chief Executive by
M P Weldon, Director, Supervision

Financial Supervision Commission

4 February 2014



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Exceptions and Modifications (Page 1)

Pursuant to section 7(3)(b) of the Financial Services Act 2008, the Rule Book applies with the following modifications:

Modifications

Part 6 – Conduct of business

Rule 6.29 – Knowledge of client

For clients not physically present in the Isle of Man, at the time the advice is provided, rule 6.29(2) is replaced by the following:

(2)(a) Where a licenceholder is providing investment advice, it must –

- (i) complete a fact-find;
- (ii) provide a copy of the fact-find to the client; and
- (iii) retain a copy of the fact-find on the client's file

(b) All telephone calls with the client must be made on a recorded line with documented date, time and extension number, and must be fully retrievable.

(c) The client must be requested to check the contents of the fact find and revert with any changes and this must be documented on the client's file."

Rule 6.34 – Disclosure and information

For clients not physically present in the Isle of Man at the time the advice is provided, rule 6.34(4) is replaced by the following:

- (4) Where a licenceholder is providing investment advice, the client must be provided with a comprehensive suitability letter within a reasonable timeframe when or as soon as possible after the transaction is effected or the trade executed, which confirms the recommendation(s) made to the client and which contains a full explanation of the benefits and risks of that recommendation.



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The suitability letter must –

- (a) be tailored to the client's situation;
- (b) be in plain, jargon-free English;
- (c) include –
 - (i) a summary of the client's financial position, including any limitations of information provided by the client;
 - (ii) a balanced rationale for the recommendations made, including details of the recommended products' characteristics and risks, and why those products are suitable for the particular client;
 - (iii) product literature or illustrations where available;
 - (iv) details as to whether each products has a cooling off period, and where there is no cooling off period, a statement informing the client of the risk of losing a substantial amount of their investment if they change their mind and decide, after starting the investment, not to continue with it;
 - (v) a cost benefit analysis of any switches or surrenders, or gearing and why these are in the best interests of the client; and
 - (vi) whether an annual review will or will not be undertaken on the investments.

A copy of the research undertaken, product selection process and the suitability letter must be retained on the client's file.

(Note: A "Suitability Letter" is defined as being the same as a "Reasons Why Letter" per the definition of such in the Financial Services Rule Book).



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Exceptions and Modifications (Page 3)

Part 8 - Risk Management and internal control

(a) Rule 8.29 - Complaints

Subparagraph (1) (b) is modified to read –

A written acknowledgement of the complaint is provided to the complainant within seven days of receipt, unless the complaint has been resolved within this period to the satisfaction of the customer. The written acknowledgement, where this applies, must include:

- (i) a summary of the complaint;
- (ii) a copy of the licenceholder's complaints-handling procedures;
- (iii) details of the Financial Services Ombudsman Scheme whenever applicable; and
- (iv) whenever appropriate, a request for further details in writing, with supporting evidence.

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