

Principles for Businesses

Chapter 1

Introduction



1.2 Clients and the Principles

Characteristics of the client

1.2.1 G Principles 6 (Customers' interests), 7 (Communications with clients), 8 (Conflicts of interest), 9 (Customers: relationships of trust), 10 (Clients' assets) and 12 (Consumer Duty) impose requirements on *firms* expressly in relation to their *clients* or *customers*. These requirements depend, in part, on the characteristics of the *client* or *customer* concerned. This is because what is "due regard" (in *Principles* 6 and 7), "fairly" (in *Principles* 6 and 8), "clear, fair and not misleading" (in *Principle* 7), "reasonable care" (in *Principle* 9), "adequate" (in *Principle* 10) or "good outcomes" (in *Principle* 12) will, of course, depend on those characteristics.

Approach to client categorisation

1.2.2 G [deleted]

1.2.3 G [deleted]

1.2.4 G [deleted]

1.2.5 G [deleted]

Acting through an agent

1.2.6 G If the *person* with or for whom the *firm* is carrying on an activity is acting through an agent, the ability of the *firm* to treat the agent as its *client* under ■ COBS 2.4.3 R (Agent as client) will not be available. For example, if a *general insurer* is effecting a *general insurance contract* through a general insurance broker who is acting as agent for a disclosed *policyholder*, the *policyholder* will be a *client* of the *firm* and the *firm* must comply with the *Principles* accordingly.