

25th January 2017

Donald Cranswick and Emily Pinkerton
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Financial Conduct Authority
25 The North Colonnade
LONDON
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By email: cp16-32@fca.org.uk

Dear Donald and Emily

**TISA response to CP16-32
Handbook changes to reflect the introduction of the Lifetime ISA**

I attach TISA's response to this important Consultation.

We are grateful for the opportunity to comment on the FCA proposals and to discuss our concerns with you when we met at the Treasury on January, 16th.

TISA welcomes the LISA as giving additional opportunities to save in a tax advantaged manner. The success of Help to Buy shows that there are hundreds of thousands of people who would take advantage of Government incentives to save. We should not like the FCA to adopt proposals to unnecessarily hinder that, or place significant cost or other obstacles in the way of savers, particularly for a product which is unlikely to be advised and where the margins for would-be providers are low.

Many of the concerns about customer choice could as equally be applied to ISA savings, and we are concerned that the FCA will impose unnecessary costs on LISA.

We are also concerned about the cost disclosure provision, which seem to us to be a retrograde step, and which differ from the cost disclosure regime likely to be required under MiFID II and PRIIPs. Any disclosure regime should be consistent across investment products and not specific solely to LISA.

Further, we are concerned about the requirement for cancellation/cooling off for non-advised, execution only business, as this will impose disproportionate costs to any potential customer benefit.

We should welcome the opportunity to discuss our response with you in more detail.

Yours truly

Nigel Banfield