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LCP Response to the consultation paper on definitions

Draft definitions of Investment Consultancy services and Fiduciary Management services for the purposes of potential remedies

We welcome that the CMA aims to provide greater clarity on the definitions of Investment Consultancy and Fiduciary Management services. Assuming we have interpreted the intention correctly, we broadly agree with these definitions.

We agree that in-house teams should be excluded from the definitions and, therefore, any remedies.

Investment consultancy service

We agree with the definition proposed.

We welcome that a firm providing only investment strategy advice could be outside of the definition of Investment Consultancy services, meaning actuarial service providers are not in scope.

Fiduciary management service

At a high-level, we think that Fiduciary management service should be broadly defined as a service providing both advice **and** decision making over investments – broadly a combination of investment consulting and asset management.

We suggest the definition is clearer if 4.a. is replaced with: 'the provider provides an Investment consultancy service (as defined in1-3) or advice in relation to investment strategy; and'

In 4.b, we suggest "first provided" is replaced with "last provided". We think a current investment adviser, who was appointed **more** than 12 months ago, and who is then additionally appointed to make investment decisions, should be included in the definition of providing Fiduciary Management services.

We think that 4 should make clear that the order of appointments is not important. If an appointment is made for services described in 4.b prior to an appointment for those services described in 4.a, then that too should still be seen as a Fiduciary management service.

It should be made clear that services in 4.b can be provided without services under 4.a ie that making investment decisions is not automatically also providing advice in this context. This would make it clear that an asset manager providing 4.b services only is not included in the definition of Fiduciary management services.

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