

SECTION 1 – BACKGROUND AND INTRODUCTION TO FCA

1. Background
2. Statutory objectives of the FCA
3. The FCA's Approach
4. FCA Handbook
5. Applying for authorisation

SECTION 2 – HIGH LEVEL STANDARDS

1. Principles for Businesses (**PRIN**)
2. Senior Management Arrangements, Systems and Controls (**SYSC**).
General Organisational Requirements:
 - Governance
 - Business continuity planning
 - Regular monitoring
 - Audit committee
 - Persons directing the business
 - Responsibility of senior personnel
 - Apportionment of responsibility
 Employees, Agents and other relevant persons:
 - Skills, knowledge and expertise
 - Segregation of functions
 - Awareness of procedures
 Compliance, Internal Audit and Financial Crime:
 - Compliance
 - Internal audit

Risk Control
Outsourcing
Record keeping
Conflicts of Interest
Ethical walls
Whistle blowing
Remuneration code
Knowledge, ability and good repute
 Knowledge & ability requirements
 Good repute
Senior Managers & Certification Regime
 SMCR Introduction and Classification
 Prescribed Responsibilities
 Certification Regime
 Regulatory References
Financial Crime
 Money laundering
Information security
Anti-bribery and corruption
Financial Sanctions
Other Controls:
 Business strategy/plan
 Management information
Appendix 1 – CPD requirements
Appendix 2 – Summary of SMCR
Appendix 3 – SMCR Prescribed Responsibilities
SYSC Template 1 – organisation chart – Large Firm
SYSC Template 2 – organisation chart – Small Firm
SYSC Template 3 – Firm Responsibility Matrix
SYSC Template 4 – Compliance Breach Log
SYSC Template 5 – Compliance Breach Log (e.g.)

SYSC Template 6 – Annual Compliance Activity Plan
SYSC Template 6a – Compliance Monitoring Prog.
SYSC Template 7 – Risk Register (example)
SYSC Template 8 – Regulatory Requirements Checklist
SYSC Template 9 – Audit Checklist
SYSC Template 10 – Regulatory Business Plan
SYSC Template 11 - Business Continuity Plan
SYSC Template 12 – Whistle Blowing Procedure
SYSC Template 13 – Summary of SYSC Rules & Guidance
SYSC Template 14 – Financial Crime Checklist
SYSC Template 15 – Anti-Bribery Risk Assessment Checklist
SYSC Template 16 – SMCR Certificate
SYSC Template 17 – SMCR Regulatory References

3. Threshold Conditions (**COND**)
 - Effective Supervision
 - Appropriate Resources
 - Business Modelling
4. Approved Persons (**APER**)
 - What is an approved person?
 - Controlled Functions
 - Requirements of an Approved Person
 - Approved Person Principles and Code of Conduct
 - Personal files for Approved Persons**APER Template 1** – Register of controlled functions and approved persons (ARs)

5. Fitness and Propriety (FIT)

Purpose

Assessing Fitness and Propriety

Honesty, Integrity and Reputation

Competence and Capability

Financial Soundness

Record Keeping

FIT Template 1 – Declaration Fitness & Propriety

6. Code of Conduct (COCON)

Introduction and Background

The Conduct Rules

Training Requirements

Conduct Rules Breach Reporting

General Factors for Assessing Compliance

Specific Guidance Individual Conduct Rules

Specific Guidance Senior Manager Rules

7. General Provisions (GEN)

Referring to approval by the FCA

Statutory status disclosure

Use of the FCA logo and Key Facts logo

General interpretation of the Handbook

Insurance against financial penalties

Charging consumers for telephone calls

Fees

SECTION 3 – BUSINESS STANDARDS

1. Prudential Sourcebook (MIPRU)

Responsibility for insurance distribution

Financial safeguards

Capital resources/Solvency Margins

Compulsory professional indemnity cover

Use of Intermediaries

Statutory audit

MIPRU Template 1 – Limited Company Balance Sheet

MIPRU Template 2 – Partnership or Sole Trader Balance Sheet

MIPRU Template 3 – Solvency Test – received basis

MIPRU Template 4 – Professional Indemnity Insurance

2. Client Asset Sourcebook (CASS)

Handling Client Money

Holding client money as an agent

Segregating client money in a statutory or non-statutory trust account

Co-mingling insurer monies and client money

Client bank accounts

Information to be provided to the customer

Holding client money:

Segregating client money

Passing money to a third party

Discharging your fiduciary duty

Withdrawing commission and fees

Controlling client money

Client Money Calculation:

Using the accruals method

Using the client money balance method

Notifying and reporting to the FCA

Appointed Representatives (ARs):

Risk transfer

Segregating client money

Monitoring ARs

Client Money Audit:

What must be covered in a client money audit report?

Record Keeping

Credit Write Backs

CASS Template 1 – Account set up letters

CASS Template 2 – Client Money Calculations

CASS Template 3 – Risk Transfer Checklist

CASS Template 4 – Holding Client Money Checklist

3. Insurance: Conduct of Business (ICOBS)

General Rules

Application

General Rules

Communications/Advertising

Inducements

Record Keeping

Acting Honestly, exclusion of liability

Distribution of connected contracts

Customers in financial difficulty

Respective Responsibilities of insurers

Financial Promotions

What is a financial promotion?

Media of Communication

General Rules

Websites

Use of third party promotions

Social Media Communications

The Financial Promotions Team

White Labelling Insurance Products

Compliance Sales Process

Introduction

Demands and Needs

Presenting the Solution

Post-Sale Information

Product/Service Specific Rules

Optional Additional Products (Add-Ons)

Cross Selling

Auto Renewals

Travel insurance and Medical Conditions

Multi-Occupancy Building Insurance

Ongoing Servicing
Renewals
General Insurance Pricing Practices
Mid-Term Adjustments
Cancellation
Claims Handling
Other Relevant Rules and Guidance
Contract Certainty
OFT Guidelines on Sales of PPI
Consumer Insurance Disclosure and Representations Act 2012 (CIDRA)
The Insurance Act 2015
Private Motor Insurance Order 2015

Appendix 1 – Distance Marketing Requirements

Appendix 2 – Add-On Products

Appendix 3 – Renewal Practices

Appendix 4 – General Insurance Pricing Practices

Appendix 5 – Claims Handling

ICOBS Template 1 – Terms of Business Charter

ICOBS Template 2 – Demands & Needs statement

ICOBS Template 3 – Compliant Sales Process – face-to-face

ICOBS Template 4 – Compliant Sales Process – telephone

ICOBS Template 5 – Compliant Sales Process – web

ICOBS Template 6 – File Control Checklist

ICOBS Template 7 – Compliant Sales Process Checklist

ICOBS Template 8 – Commission Disclosure

ICOBS Template 9 - Contract Certainty Log

ICOBS Template 10 - Consumer Insurance

Disclosure and Representations Act

ICOBS Template 11 – Multi-Occupancy Disclosure Requirements

4. Training and Competency (TC)

Background
Meaning of Competence
Assessment of Competence & Supervision
Training
Maintaining Competence
Continuing Professional Development
Record-keeping
Training and Competence Scheme:
Recruitment
Job Descriptions
Induction
Appraisals
Training
Maintenance of Competence

TC Template 1 – Recruitment Interviews

TC Template 2 – Interview Checklist

TC Template 3 – Employee Supervision Form

TC Template 4 – Job Description (Blank)

TC Template 5 – Job Description – Compliance Manager

TC Template 6 – Job Description – Insurance Sales Executive

TC Template 7 – Job Description – Account Handler

TC Template 8 – Job Description – Claims Handler

TC Template 9 – Job Description – Office Manager

TC Template 10 – Induction Programme

TC Template 11 – Appraisal Guidance

TC Template 12 – Pre-Appraisal Form

TC Template 13 – Appraisal Report

TC Template 14 – Training and Development Action Planner

TC Template 15 – Individual Training Record

5. Product Intervention and Governance (PROD)

Background
Intermediaries as Distributors
Intermediaries as Manufacturers
Manufacture of Insurance Products

PROD Template 1 – Fair Value Assessment

PROD Template 2 – Product Information Exchange

SECTION 4 – REGULATORY PROCESSES

1. Decision Making and Penalties (**DEPP**)

2. Supervision (**SUP**)
The Supervision Framework
Firm categorisation
Supervision of flexible portfolio firms
Reporting to the FCA
RMAR/Consumer Credit/Complaints
Value Measures Report
General Insurance Pricing Practices

Auditors

Senior Managers & Certification Regime
Controlled Functions
Criminal Records Checks
Statements of Responsibilities
SMCR Notifications

Notifications to the FCA
General Notification Requirements
Core information requirements
Inaccurate, false or misleading information

Connect online system

Applications to vary permissions
Applications to vary permissions
Changes to approved persons
Cancelling permission
Change in control

Close Links Reporting
The Directory

SUP Template 1 – Retail Mediation Activities

Return (RMAR) & Complaints Return

SUP Template 2 – Statement of Responsibilities

SUP Template 3 – Notification of Disciplinary Action

SUP Template 4 – General Insurance Pricing

Reports

SUP Template 4a – General Insurance Attestation

SUP Template 5 – General Insurance Value

SUP Template 6 – On-going Reporting by Principal

Firms on Their Appointed Representatives

SECTION 5 – REDRESS

1. Dispute Resolution and Complaints (DISP)

Identification

Eligible Complainant

Definition of a Complaint

Investigation

Resolving Complaints

Complaints resolved within three business days

Timescales for dealing with complaints

Written acknowledgement

Final Response or 8 week holding letter

Complainant's Written Acceptance

The Final Response

Closing the Case

Dealing with correspondence after the final response

When is a complaint deemed as closed?

Referrals to Third Parties

Time limits for referring complaints to FOS

Complaints received outside FOS set timescales

Record Keeping

What awards can the FOS make?

Payment Protection complaints

Assessment

Considering evidence

Effect of the breach

Redress

Alternative Dispute Resolution Directive

2. Compensation (COMP)

3. Complaints against the FCA

DISP Template 1 – Complaint Checklist

DISP Template 2 – Complaint Log

DISP Template 3 – Complaints Procedure –

What the customer receives

DISP Template 4 – Complaint Summary

Resolution Communication

DISP Template 5 – Complaint Summary

Resolution Communication (Lloyd's)

SECTION 6 – CONSUMER CREDIT (CONC)

Introduction

Background

Categorisation of credit related activities

Credit Broking

Credit Broking – CONC application

Credit broking

Conduct of business standards (CONC 2)

Financial promotions and communications (CONC 3)

Pre-contractual requirements (CONC 4)

Responsible Lending (CONC 5)

Post-contractual requirements (CONC 6)

Credit lending

Debt administration

CONC Template 1 – SECCI Form

SECTION 7 – SPECIAL TOPICS

1. Consumer Duty & Treating Customers Fairly
FCA Expectation of Firms
Culture, Governance and Accountability
Culture
Governance and Accountability
Senior Managers/Certification Regime
Consumer Duty Principle
Cross Cutting Rules
Act in Good Faith
Avoid causing foreseeable harm
Enable and support retail customers
Four Consuming Outcomes
Product and Services Outcome
Price and Value Outcome
Consumer Understanding Outcome
Consumer Support Outcome
Embedding & Monitoring Consumer Duty
Treating Customers Fairly
Conduct for Treating Customers Fairly
What you need to do to implement TCF
TCF Culture
TCF Management Information
2. Conflicts of Interest
What is Conduct Risk?
3. Monitoring Conduct Risk
What Should Firms be doing to monitor and manage Conduct Risk?
Key messages for Firms
Introducers
4. Appointed representatives
What is an appointed representative?
What is an introducer appointed representative?
Responsibilities of the principal firm prior to appointment of an AR

Appointment of Introducer Appointed Representatives
What contracts need to be in place?
AR Training
Principal Firms supervisory responsibilities
PI cover
Client money
Record Keeping
Management Information
Consumer Duty
Improving the Appointed Representative Regime
 Information on the AR Business
 Annual Review and Annual Self-Assessment

5. Non-Executive Directors (NEDs)
 The role of the Non-Executive Director
 Functions of the NED
 How should you fulfil your role?
 Appointment of a NED

6. Vulnerable Customers

7. Summary of the actions the FCA expect Firms to Take
 How the FCA will Monitor Firms
 UK GDPR and DPA 2018 Implications
 Practical Considerations for Brokers
 What can be done as a Business?
 What can be done as individual staff members?

8. Ancillary Insurance Intermediaries (Alls)

9. Senior Management & Certification Regime
 Introduction
 Levels of SM&CR Regime
 Approved Persons
 New Controlled Functions

Prescribed Responsibilities
Statement of Responsibilities (SoR)
Duty of Responsibility
Certification Regime
Fitness and Propriety Requirements
Conduct Rules

SPECIAL Template 1 – Treating Customers Fairly – areas to review
SPECIAL Template 1a – Consumer Duty Fact Sheet
SPECIAL Template 1b – Consumer Duty Annual Assessment xx/xx/xx
SPECIAL Template 1c – Consumer Duty Annual Assessment xx/xx/xx
SPECIAL Template 1d – Consumer Duty Management Information
SPECIAL Template 2 – Treating Customers Fairly – examples of good and poor practice
SPECIAL Template 3 – Example of a conflict of interest policy
SPECIAL Template 4a – Exempt introducer agreement
SPECIAL Template 4a (1) – Incidental introducer agreement
SPECIAL Template 4b – Introducer Appointed Representative agreement
SPECIAL Template 4b (1) – Introducer Agreement
SPECIAL Template 4c – Appointed Representative Contract
SPECIAL Template 5 – Compliance monitoring Checklist (for firms auditing their ARs)
SPECIAL Template 6 – Vulnerable Customers Checklist
SPECIAL Template 7 – Behaviours and the Conduct Rules/Fitness and Propriety Breaches

SECTION 8 – DATA PROTECTION

1. Data Protection Act 2018 and GDPR
 Key Definitions
 Lawful bases for processing personal data
 Individual rights
 Privacy notices
 Data Subject Access Requests
 Other Key GDPR Requirements
 Personal Data Breaches
 Data Protection Officers
 Marketing Communications
 ICO and Registration

DP Template 1 – Data protection policy checklist
DP Template 2 - Privacy notice
DP Template 3 – GDPR/DPA Documentation requirements
DP Template 4 – GDPR Marketing rules

GLOSSARY OF TERMS