

Chapter 2

Responsibility for insurance distribution and MCD credit intermediation activity

2.2 Allocation of the responsibility for insurance distribution activity or MCD credit intermediation activity

Responsibility for insurance distribution activity or MCD credit intermediation activity

2.2.1 **R** A *firm*, other than a sole trader, must allocate the responsibility for the *firm's* insurance distribution activity or MCD credit intermediation activity to a director or senior manager.

[**Note:** article 3(1), eighth paragraph of the *IDD* and article 29(4)(a), first sentence, of the *MCD*.]

2.2.1A **G**

(1) Where a *firm* allocates responsibility under **■ MIPRU 2.2.1R** it should ensure that the person to whom the allocation is made is of sufficient seniority and authority within the *firm* to take on that role.

(2) The person could, for example, be:

(a) a *SMF manager* who holds the *executive director function* (SMF 3) or the *other overall responsibility function* (SMF 18); or

(b) a person who holds a significant management *FCA certification function*,

in relation to, as relevant, *insurance distribution* business or *MCD credit intermediation* business.

2.2.1B **R**

(1) The *firm* must notify the *FCA* in a timely manner of the allocation in **■ MIPRU 2.2.1R** in accordance with (2).

(2) Where the person allocated responsibility under **■ MIPRU 2.2.1R**, is:

(a) a *SMF manager*, then notification must be made in the following way:

(i) in Form A (Application to perform controlled functions) (see **■ SUP 10C Annex 3D**), Form D (Notification: Changes to personal information/application details and conduct breaches/disciplinary action related to conduct) (see **■ SUP 10C Annex 6R**) or Form E (Internal transfer of a person performing a controlled function) (see **■ SUP 10C Annex 7D**); and

(ii) included in (as relevant):

(A) a *statement of responsibilities*; or

(B) revised *statement of responsibilities* sent to the FCA as described in ■ SUP 10C.11.7D (Revised statements of responsibilities: Procedure); or

(b) a *Directory person*, the notification is included in the *Directory person* report (see ■ SUP 16 Annex 47AR (Directory persons report)); or

(c) a person other than a person in (a) and (b), then notification may be emailed to 'firm.queries@fca.org.uk' or made using a method as set out in ■ SUP 15.7.4R (Method of notification).

2.2.2 **R** [deleted]

2.2.3 **G** [deleted]

2.2.4 **G** Where a *firm* has appointed an *appointed representative* to carry on *insurance mediation activity* or *MCD credit intermediation activity* on its behalf, the *person* responsible for the *firm's insurance mediation activity* or *MCD credit intermediation activity* will also be responsible for the *insurance distribution activity* or *MCD credit intermediation activity* carried on by an *appointed representative*.

2.2.5 **G** The FCA will specify in the *Financial Services Register* the name of the *persons* to whom the responsibility for the *firm's insurance distribution activity* or *MCD credit intermediation activity* has been allocated. In the case of a *sole trader*, the FCA will specify in the *Financial Services Register* the name of the *sole trader* as the 'contact person' in the *firm*.