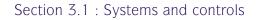
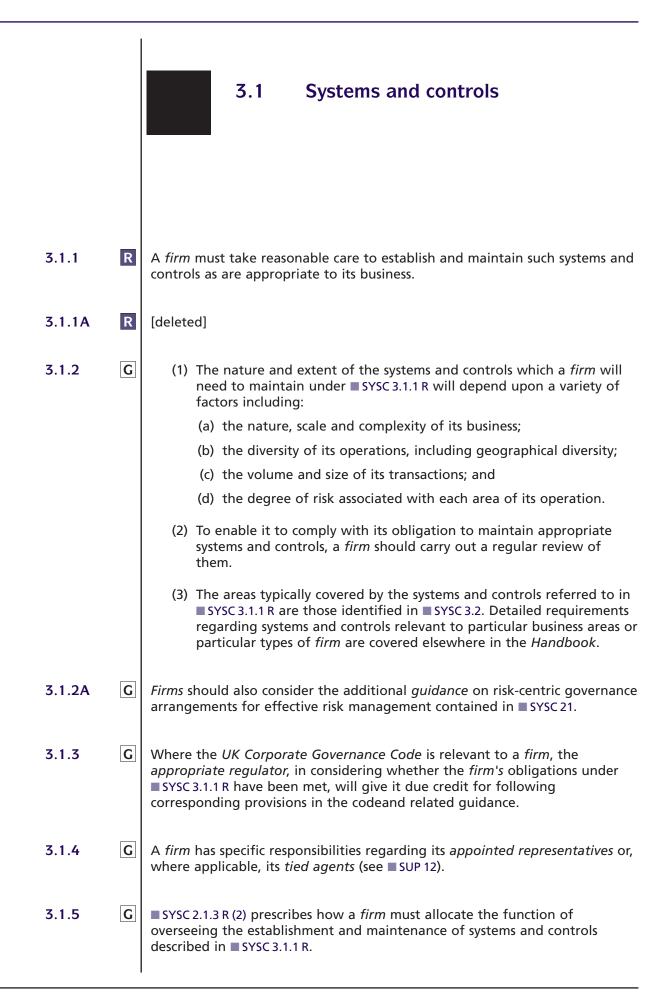
Senior management arrangements, Systems and Controls

Chapter 3

Systems and controls





		Competent employees rule
3.1.6	R	A <i>firm</i> must employ personnel with the skills, knowledge and expertise necessary for the discharge of the responsibilities allocated to them.
3.1.7	R	When complying with the <i>competent employees rules</i> , a <i>firm</i> must take into account the nature, scale and complexity of its business and the nature and range of financial services and activities undertaken in the course of that business.
3.1.7A	G	SYSC 28 contains rules and guidance relating to the minimum knowledge and competence requirements in relation to insurance distribution activities undertaken by a firm.
3.1.8	G	The Training and Competence sourcebook (<i>TC</i>) contains additional <i>rules</i> and <i>guidance</i> relating to specified retail activities undertaken by a <i>firm</i> .
3.1.9	G	<i>Firms</i> which are carrying on activities that are not subject to <i>TC</i> may nevertheless wish to take <i>TC</i> into account in complying with the competence requirements in <i>SYSC</i> .
3.1.10	G	If a <i>firm</i> requires <i>employees</i> who are not subject to a qualification requirement in <i>TC</i> to pass a relevant examination from the list of appropriate qualifications maintained by the <i>FCA</i> , the <i>appropriate regulator</i> will take that into account when assessing whether the <i>firm</i> has ensured that the <i>employee</i> satisfies the knowledge component of the <i>competent employees</i> rule.
7 1 1 1		Insurance distribution activities
3.1.11	R	A firm carrying on insurance distribution activities must approve, implement and regularly review its internal policies and procedures in respect of its obligations under SYSC 28.
		[Note: first paragraph of article 10(8) of the <i>IDD</i>]
3.1.12	G	■ SYSC 2.1.6AR prescribes how a <i>firm</i> must allocate the function of ensuring the proper implementation of the policies and procedures approved in accordance with ■ SYSC 3.1.11R.