

Chapter 2

Responsibility for insurance distribution and MCD credit intermediation activity



2.1 Application and purpose

Application

2.1.1

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This chapter applies to a *firm* with *Part 4A permission* to carry on *insurance distribution activity* or *MCD credit intermediation activity*.

Purpose

2.1.2

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The original purpose of this chapter was to implement in part the provisions of the *IDD* and the *MCD*.

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

		<p>(B) revised <i>statement of responsibilities</i> sent to the FCA as described in ■ SUP 10C.11.7D (Revised statements of responsibilities: Procedure); or</p> <p>(b) a <i>Directory person</i>, the notification is included in the <i>Directory person</i> report (see ■ SUP 16 Annex 47AR (Directory persons report)); or</p> <p>(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).</p>
2.2.2	R	[deleted]
2.2.3	G	[deleted]
2.2.4	G	Where a <i>firm</i> has appointed an <i>appointed representative</i> to carry on <i>insurance mediation activity</i> or <i>MCD credit intermediation activity</i> on its behalf, the <i>person</i> responsible for the <i>firm's insurance mediation activity</i> or <i>MCD credit intermediation activity</i> will also be responsible for the <i>insurance distribution activity</i> or <i>MCD credit intermediation activity</i> carried on by an <i>appointed representative</i> .
2.2.5	G	The FCA will specify in the <i>Financial Services Register</i> the name of the <i>persons</i> to whom the responsibility for the <i>firm's insurance distribution activity</i> or <i>MCD credit intermediation activity</i> has been allocated. In the case of a <i>sole trader</i> , the FCA will specify in the <i>Financial Services Register</i> the name of the <i>sole trader</i> as the 'contact person' in the <i>firm</i> .