

Supervision

Chapter 10A

FCA Approved Persons



10A.1 Application

General

- 10A.1.1** **R** This chapter applies to every:
- (1) *firm* that is not an *SMCR firm*; and
 - (2) *SMCR firm*, but only to the extent required by **■** SUP 10A.1.16BR (Appointed representatives).
- 10A.1.1A** **G** **■** SUP 10C deals with the *approved persons* regime for *SMCR firms* themselves.
- 10A.1.2** **G** This chapter is also relevant to every *FCA-approved person*:
- (1) of a *firm* that is not an *SMCR firm*; and
 - (2) of any *appointed representative*, including of an *appointed representative* of an *SMCR firm*.
- 10A.1.3** **G** The *rules* in this chapter specify descriptions of *FCA controlled functions* under section 59 of the *Act* (Approval for particular arrangements).
- 10A.1.4** **G** The directions in this chapter relate to the manner in which a *firm* must apply for the *FCA's* approval under section 59 of the *Act* and other procedures.
- Overseas firms: UK services**
- 10A.1.5** **R** This chapter does not apply to an *overseas firm* in relation to *regulated activities* which are carried on in the *United Kingdom* other than from an establishment maintained by it or its *appointed representative* in the *United Kingdom*.
- Overseas firms: UK establishments**
- 10A.1.6** **R** Only the following *FCA controlled functions* apply to an *overseas firm* which maintains an establishment in the *United Kingdom* from which *regulated activities* are carried on:
- (1) the *director function* where the *person* performing that function:

- (a) has responsibility for the *regulated activities* of a *UK branch* which are likely to enable him to exercise significant influence over that *branch*; or
 - (b) is someone whose decisions or actions are regularly taken into account by the *governing body* of that *branch*;
- (2) the *non-executive director function* where the *person* performing one of those functions:
- (a) has responsibility for the *regulated activities* of a *UK branch* which is likely to enable him to exercise significant influence over that *branch*; or
 - (b) is someone whose decisions or actions are regularly taken into account by the *governing body* of that *branch*;
- (3) the *chief executive function*;
- (4) the *FCA required functions*;
- (5) the *systems and controls function*;
- (6) the *significant management function* in so far as the function relates to:
- (a) *designated investment business* other than *dealing in investments as principal*, disregarding article 15 of the *Regulated Activities Order*; or
 - (b) processing confirmations, payments, settlements, insurance claims, *client money* and similar matters in so far as this relates to *designated investment business*; and
- (7) the *customer function*.

Incoming EEA firms, incoming Treaty firms and UCITS qualifiers

10A.1.7 **R** This chapter does not apply to:

- (1) an *incoming EEA firm*; or
- (2) an *incoming Treaty firm*; or
- (3) a *UCITS qualifier*;

if and in so far as the question of whether a *person* is fit and proper to perform a particular function in relation to that *firm* is reserved, under any of the *Single Market Directives*, the *Treaty*, the *UCITS Directive*, the *auction regulation* or the *benchmarks regulation*, to an authority in a country or territory outside the *United Kingdom*.

10A.1.8 **G** ■ SUP 10A.1.7 R reflects the provisions of section 59(8) of the *Act* and, in relation to an incoming *Treaty firm* and a *UCITS qualifier*, the *Treaty* and the *UCITS Directive*. It preserves the principle of *Home State* prudential regulation. In relation to an *incoming EEA firm* exercising an *EEA right*, or an *incoming Treaty firm* exercising a *Treaty right*, the effect is to reserve to the *Home State regulator* the assessment of the fitness and propriety of a *person* performing a function in the exercise of that right. A member of the

governing body, or the notified UK branch manager, of an incoming EEA firm, acting in that capacity, will not therefore have to be approved by the FCA under the Act.

(2) [deleted]

10A.1.9 **G** Notwithstanding **■** SUP 10A.1.8 G, an *incoming EEA firm* or *incoming Treaty firm* will have had to consider the impact of the *Host State* rules with which it is required to comply when carrying on a *passported activity* or *Treaty activity* through a *branch* in the *United Kingdom*. An *incoming EEA firm* will have been notified of those provisions under Part II of Schedule 3 to the Act in the course of satisfying the conditions for *authorisation* in the *United Kingdom*.

10A.1.10 **G** An *incoming EEA firm* will have to consider, for example, the position of a *branch manager* based in the *United Kingdom* who may also be performing a function in relation to the carrying on of a *regulated activity* not covered by the *EEA right* of the *firm*. In so far as the function is within the description of an *FCA controlled function*, the *firm* will need to seek approval for that *person* to perform that *FCA controlled function*.

Incoming EEA firms: passported activities from a branch

10A.1.11 **R** Only the following *FCA controlled functions* apply to an *incoming EEA firm* with respect to its *passported activities* carried on from a *branch* in the *United Kingdom*:

- (1) the *money laundering reporting function*;
- (2) the *significant management function*, in so far as the function relates to:
 - (a) *designated investment business* other than *dealing in investments as principal*, disregarding article 15 of the *Regulated Activities Order*; or
 - (b) processing confirmations, payments, settlements, insurance claims, *client money* and similar matters, in so far as this relates to *designated investment business*; and
 - (c) [deleted]
- (3) the *customer function* other than where this relates to the function in **■** SUP 10A.10.7R (4) and **■** (7).

10A.1.12 **R** [deleted]

Incoming EEA firms etc with top-up permission activities from a UK branch

- 10A.1.13 **R** In relation to the activities of a *firm* for which it has a *top-up permission*, only the following *FCA controlled functions* apply:
- (1) the *FCA required functions*, other than the *apportionment and oversight function* and the *compliance oversight function*;
 - (2) the *significant management function*, in so far as it relates to:
 - (a) *designated investment business* other than *dealing in investments as principal*, disregarding article 15 of the *Regulated Activities Order*; or
 - (b) processing confirmations, payments, settlements, insurance claims, *client money* and similar matters, in so far as this relates to *designated investment business*; and
 - (c) [deleted]
 - (3) the *customer function*.

- 10A.1.14 **R** A person does not perform the *significant management function* for a *firm* under ■ SUP 10A.1.11 R or ■ SUP 10A.1.13 R if that person would not have been treated as performing any *FCA controlled function* for that *firm* if that *firm* had been a *UK firm*.

Appointed representatives

- 10A.1.15 **R** The descriptions of the following *FCA controlled functions* apply to an *appointed representative* of a *firm*, except in relation to *CBTL business* or an *introducer appointed representative*, as they apply to an *FCA-authorised person*:
- (1) the *FCA governing functions*, subject to ■ SUP 10A.1.16 R and except for a *tied agent* of an *EEA MiFID investment firm*; and
 - (2) the *customer function* other than in relation to acting in the capacity of an *investment manager* (see ■ SUP 10A.10.7R (6)).
- 10A.1.16 **R**
- (1) ■ SUP 10A.1.15 R is modified in relation to an *appointed representative* meeting the conditions in (2) so that only one of the following *FCA governing functions*:
 - (a) *director function*; or
 - (b) *chief executive function*; or
 - (c) *partner function*; or
 - (d) *director of unincorporated association function*;
 applies, as appropriate, to an individual within that *appointed representative* who will be required to be an *FCA-approved person*.
 - (2) The conditions are that:
 - (a) the scope of appointment of the *appointed representative* includes *insurance distribution activity* in relation to non-

investment insurance contracts or credit-related regulated activity, but no other regulated activity; and

- (b) the principal purpose of the *appointed representative* is to carry on activities other than *regulated activities*.

10A.1.16A R This chapter applies to an *appointed representative* that has a *limited permission* to carry on a *regulated activity* prescribed for the purposes of section 39(1E)(a) of the Act as follows:

- (1) *FCA controlled functions* apply to the *appointed representative* as set out in ■ SUP 10A.1.15 R and ■ SUP 10A.1.16 R in relation to the carrying on of the *regulated activity*, for which it does not have *permission*, comprised in the business for which its *principal* has accepted responsibility;
- (2) (a) unless it is a *not-for-profit debt advice body*, the *apportionment and oversight function* applies in relation to the carrying on of the *regulated activity* for which it has *limited permission*;
- (b) if it is a *not-for-profit debt advice body* and a *CASS large debt management firm*, the *CASS operational oversight function* applies in relation to the carrying on of *debt management activity*.

10A.1.16B R ■ SUP 10A.1.15R and ■ SUP 10A.1.16R apply to the *appointed representative* of an *SMCR firm*.

- 10A.1.16C G**
- (1) References in this chapter to a *firm* include an *SMCR firm*, but only to the extent required by ■ SUP 10A.1.16BR.
 - (2) References in ■ SUP 10A.1.15R and ■ SUP 10A.1.16R to *FCA governing functions* and other *controlled functions* are to *controlled functions* in this chapter, not in ■ SUP 10C (FCA senior managers regime for approved persons in *SMCR firms*).

- 10A.1.16D G**
- (1) Under section 59(6A) of the Act, if the FCA is satisfied that, in relation to the carrying on of a *regulated activity* by an *SMCR firm*, a *controlled function* is a *senior management function*, the FCA must designate the function in its rules as a *senior management function*.
 - (2) Generally, the FCA does not think that a *person* performing a function in ■ SUP 10A.1.16BR will have sufficient responsibility for managing the affairs of the *appointed representative's principal* (as opposed to managing the affairs of the *appointed representative* itself) to perform a *senior management function*.
 - (3) Therefore:
 - (a) the FCA has not designated any of the functions in ■ SUP 10A.1.16BR as a *senior management function*; and

(b) none of the functions in ■ SUP 10A.1.16BR are *designated senior management functions*.

(4) ■ SUP 10C.1.8G (Appointed representatives) explains that it is unlikely that ■ SUP 10C (FCA senior managers regime for approved persons in *SMCR firms*) will apply to *approved persons* working in *appointed representatives* of an *SMCR firm* in addition to this chapter.

Members of a profession

10A.1.17 **R**

(1) This chapter, except in respect of the *FCA required functions*, does not apply to an *authorised professional firm* in respect of its *non-mainstream regulated activities*, subject to (2).

(2) Where the *authorised professional firm* has appointed *FCA-approved persons* to perform the *FCA governing functions* with equivalent responsibilities for the *firm's non-mainstream regulated activities* and other *regulated activities*, for the *firm's non-mainstream regulated activities* this chapter applies with respect to the *FCA governing functions* and the *FCA required functions* (other than the *apportionment and oversight function*) only.

Oil market participants, service companies, energy market participants, subsidiaries of local authorities or registered social landlords and insurance intermediaries.

10A.1.18 **R**

The descriptions of *FCA significant-influence functions*, other than the *FCA required functions*, and, if the *firm* is a *MiFID investment firm*, the *FCA governing functions* do not extend to activities carried on by a *firm* whose principal purpose is to carry on activities other than *regulated activities* and which is:

(1) an *oil market participant*; or

(2) a *service company*; or

(3) an *energy market participant*; or

(4) a wholly owned *subsidiary* of:

(a) a local authority; or

(b) a registered social landlord; or

(5) a *firm* with *permission* to carry on *insurance distribution activity* in relation to *non-investment insurance contracts* but no other *regulated activity* (except *advising on P2P agreements*).

10A.1.19 **G**

It will be a matter of fact in each case whether, having regard to all the circumstances, including in particular where the balance of the business lies, a *firm's* principal purpose is to carry on activities other than *regulated activities*. If a *firm* wishes to rely on ■ SUP 10A.1.18 R, it should be in a position to demonstrate that its principal purpose is to carry on activities other than *regulated activities*.

Insolvency practitioners

10A.1.20 **R**

This chapter does not apply to a function performed by:

- (1) a *person* acting as an insolvency practitioner within the meaning of section 388 of the Insolvency Act 1986; or
- (2) a *person* acting as a nominee in relation to a voluntary arrangement under Parts I (Company Voluntary Arrangements) and VIII (Individual Voluntary Arrangements) of the Insolvency Act 1986; or
- (3) a *person* acting as an insolvency practitioner within the meaning of Article 3 of the Insolvency (Northern Ireland) Order 1989; or
- (4) a *person* acting as a nominee in relation to a voluntary arrangement under Parts II (Company Voluntary Arrangements) and VIII (Individual Voluntary Arrangements) of the Insolvency (Northern Ireland) Order 1989.

Bidders in emissions auctions

10A.1.21 **G**

For a *firm* that is exempt from MiFID under article 2(1)(j) and whose only *permission* is *bidding in emissions auctions*, the only *FCA controlled functions* that apply to it are:

- (1) the *FCA governing functions*;
- (2) the *money laundering reporting function*; and
- (3) the *customer function*.
- (4) [deleted]

This is because the *FCA-approved person* regime specifies a number of functions by incorporation of requirements in SYSC; however, a *firm* carrying on *auction regulation bidding* is only subject to SYSC to a limited extent in relation to that activity. This means that the *FCA required functions* do not apply to *auction regulation bidding*, except for the *money laundering reporting function*. Similarly, the *significant management function* does not apply in relation to *auction regulation bidding* because, in carrying on that activity, a *firm* is not subject to **SYSC 4.1.1 R** and is not undertaking *proprietary trading*.

Benchmark activities

10A.1.21A **G**

- (1) For a *firm* which only has a *permission* for *administering a benchmark*, the following *FCA controlled functions* do not apply:
 - (a) the *apportionment and oversight function*;
 - (b) the *compliance oversight function*;
 - (c) the *money laundering reporting function*; and
 - (d) the *systems and controls function*.
- (2) That is because:
 - (a) the *FCA controlled functions* in (a) to (c) above do not apply because those functions are specified by incorporation of

requirements in SYSC and the relevant parts of SYSC do not apply in relation to *benchmark activities* (which includes *administering a benchmark*);

(b) the *FCA controlled function* in (d) above does not apply in relation to *benchmark activities* (see ■ SUP 10A.8.2R).

(3) The functions in (a) to (d) still apply to a *firm* which *administers a benchmark* as well as carrying on other *regulated activities*. However, they do not apply in respect of its activities as a *regulated benchmark administrator*.

(4) Various other *FCA controlled functions* are only relevant to *firms* which carry on particular types of activity and will not be relevant to a *firm* (F) which does not carry on any *regulated activities* other than *administering a benchmark*. For instance:

(a) the *CASS operational oversight function* will not be relevant to F because that function is only relevant to *CASS medium firms*, *CASS large firms* and *CASS large debt management firms*; F will not hold *client money* and will therefore not be a *CASS medium firm*, a *CASS large firm* or a *CASS large debt management firm*;

(b) the *customer function* involves performing various types of activity none of which would be performed by a *firm* which does not carry on any *regulated activities* other than *administering a benchmark*;

(c) the *small friendly society function* will only be relevant to certain *firms*.

(5) The functions in ■ SUP 10A.1.21AG(1)(a) to (d) do not apply to a *benchmark contributor* in relation to its *contribution of input data* to a *BMR benchmark administrator*.

(6) That is because:

(a) the functions in ■ SUP 10A.1.21AG(1)(a) to (c) are specified by incorporation of requirements in SYSC and the relevant parts of SYSC do not apply in relation to *benchmark activities* (which includes *contributing input data* to a *BMR benchmark administrator*); and

(b) the *FCA controlled function* in ■ SUP 10A.1.21AG(1)(d) above does not apply in relation to *benchmark activities* (see ■ SUP 10A.8.2R).

10A.1.22 **R** [deleted]

10A.1.23 **G** [deleted]

Internally managed corporate AIFs

10A.1.24 **G** In accordance with section 59(7C) of the Act this chapter does not apply to an *internally managed AIF* which is a *body corporate* and not a *collective investment scheme*.

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Credit firms with limited permission

- 10A.1.25** **R** (1) Subject to (2) and (3), this chapter, except in respect of the *apportionment and oversight function*, does not apply to a *firm* that has *limited permission* in relation to the carrying on of the relevant credit activity (as defined in paragraph 2G of Schedule 6 to the Act) for which it has *limited permission*.
- (2) Subject to (3), this chapter does not apply to a *not-for-profit debt advice body*.
- (3) This chapter applies to a *not-for-profit debt advice body* that is a *CASS large debt management firm* with respect to the *CASS operational oversight function* only.

10A.1.26 **R** [deleted]

10A.1.27 **G** [deleted]



10A.2 Purpose

- 10A.2.1 **G** The immediate purpose of ■ SUP 10A.3 to ■ SUP 10A.11 is to specify, under section 59 of the *Act*, descriptions of the *FCA controlled function* which are listed in ■ SUP 10A.4.4 R. The underlying purpose is to establish, and mark the boundaries of, the "FCA-approved persons regime".
- 10A.2.2 **G** [deleted]
- 10A.2.3 **G** [deleted]



10A.3 Provisions related to the Act

- 10A.3.1** R A function is an *FCA controlled function* only to the extent that it is performed under an *arrangement* entered into by:

 - (1) a *firm*; or
 - (2) a contractor of the *firm*;

in relation to the carrying on by the *firm* of a *regulated activity*.
- 10A.3.2** G Sections 59(1) and (2) of the *Act* provide that approval is necessary in respect of an *FCA controlled function* which is performed under an *arrangement* entered into by a *firm*, or its contractor (typically an *appointed representative*), in relation to a *regulated activity*.
- 10A.3.3** G *Arrangement* is defined in section 59(10) of the *Act* as any kind of arrangement for the performance of a function which is entered into by a *firm* or any of its contractors with another *person* and includes the appointment of a *person* to an office, his becoming a *partner*, or his employment (whether under a contract of service or otherwise). For the provisions in this chapter relating to outsourcing, see ■ SUP 10A.13.5 G and ■ SUP 10A.13.6 G.
- 10A.3.4** G If, however, a *firm* is a member of a group, and the *arrangements* for the performance of an *FCA controlled function* of the *firm* are made by, for instance, the *holding company*, the *person* performing the function will only require approval if there is an arrangement (under section 59(1)) or a contract (under section 59(2)) between the *firm* and *holding company* permitting this. This need not be a written contract but could arise, for example, by conduct, custom and practice.
- 10A.3.5** G The *arrangement* must be “in relation to” the carrying on of a *regulated activity*. *Regulated activities* are defined in the Glossary by reference to the *Regulated Activities Order*. This order prescribes the activities which are *regulated activities* for the purposes of the *Act*.



10A.4 Specification of functions

10A.4.1 **R** Each of the functions described in **■ SUP 10A.4.4 R** (the table of FCA controlled function) is an *FCA controlled function*.

10A.4.2 **R** The *table of FCA controlled functions* applies in relation to an *FCA-authorized person*. It also applies in relation to an *appointed representative* for the purposes of **■ SUP 10A.1.15 R** to **■ SUP 10A.1.16BR** (Appointed representatives) whether its *principal* is an *FCA-authorized person* or a *PRA-authorized person*.

10A.4.2A **G** [deleted]

10A.4.3 **G** The fact that a *person* may be *FCA-approved* for one purpose does not have the effect of bringing all his activities within that *FCA controlled function*.

10A.4.4 **R** FCA controlled functions

(FCA controlled functions for FCA-authorized persons and appointed representatives)

| Type | CF | Description of FCA controlled function |
|---|-----|--|
| <i>FCA governing functions*</i> | 1 | <i>Director function</i> |
| | 2 | <i>Non-executive director function</i> |
| | 3 | <i>Chief executive function</i> |
| | 4 | <i>Partner function</i> |
| | 5 | <i>Director of unincorporated association function</i> |
| | 6 | <i>Small friendly society function</i> |
| <i>FCA required functions*</i> | 8 | <i>Apportionment and oversight function</i> |
| | 10 | <i>Compliance oversight function</i> |
| | 10A | <i>CASS operational oversight function</i> |
| | 11 | <i>Money laundering reporting function</i> |
| <i>Systems and controls function*</i> | 28 | <i>Systems and controls function</i> |
| <i>Significant management function*</i> | 29 | <i>Significant management function</i> |

(FCA controlled functions for FCA-authorised persons and appointed representatives)

| Type | CF | Description of FCA controlled function |
|------|----|--|
|------|----|--|

| | | |
|----------------------------------|----|--------------------------|
| <i>Customer-dealing function</i> | 30 | <i>Customer function</i> |
|----------------------------------|----|--------------------------|

**FCA significant-influence functions*

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10A.5 Significant-influence functions

What are the FCA significant-influence functions?

- 10A.5.1 **G** The *FCA significant-influence functions*, which are specified in ■ SUP 10A.4.1 R, comprise the *FCA governing functions* (■ SUP 10A.6), the *FCA required functions* (■ SUP 10A.7), the *systems and controls function* (■ SUP 10A.8) and the *significant management function* (■ SUP 10A.9). ■ SUP 10A.5 applies to each of the *FCA significant-influence functions*.

Definition of FCA significant-influence function

- 10A.5.2 **R** Each *FCA significant-influence function* is one which comes within the definition of a *significant-influence function*.

- 10A.5.3 **R** A *significant-influence function*, in relation to the carrying on of a *regulated activity* by a *firm*, means a function that is likely to enable the *person* responsible for its performance to exercise a significant influence on the conduct of the *firm's* affairs, so far as relating to the activity.

- 10A.5.4 **G** [deleted]

- 10A.5.5 **G** Whether an *FCA controlled function* is likely to result in the *person* responsible for its performance exercising significant influence on the conduct of the *firm's* affairs is a question of fact in each case. The *FCA* has identified the *FCA significant-influence functions* as satisfying this condition.

Periods of less than 12 weeks

- 10A.5.6 **R** If:
- (1) a *firm* appoints an individual to perform a function which, but for this *rule*, would be an *FCA significant-influence function*;
 - (2) the appointment is to provide cover for an *approved person* whose absence is:
 - (a) temporary; or
 - (b) reasonably unforeseen; and
 - (3) the appointment is for less than 12 weeks in a consecutive 12-month period;

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the description of the relevant *FCA significant-influence function* does not relate to those activities of that individual.

10A.5.7

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■ SUP 10A.5.6 R enables cover to be given for, as an example, holidays and emergencies and avoids the need for the precautionary approval of, for example, a deputy. However, as soon as it becomes apparent that a *person* will be performing an *FCA controlled function* for more than 12 weeks, the *firm* should apply for approval.



10A.6 FCA governing functions

Introduction

- 10A.6.1 **G** (1) Every *firm* will have one or more *persons* responsible for directing its affairs. These *persons* will be performing the *FCA governing functions* and will be required to be *FCA-approved persons* unless the application provisions in ■ SUP 10A.1, or the particular description of an *FCA controlled function*, provide otherwise. For example, each *director* of a *company* incorporated under the Companies Acts will perform an *FCA governing function*.
- (2) [deleted]
- (3) [deleted]

10A.6.2 **G** A *sole trader* does not fall within the description of the *governing functions*.

10A.6.2A **G** [deleted]

What the FCA governing functions include

- 10A.6.3 **R** Each of the *FCA governing functions* includes:
- (1) (where apportioned under ■ SYSC 4.3.1 R and ■ SYSC 4.4.3 R (or, for a full-scope UK AIFM apportioned under article 60(1) of the AIFMD level 2 regulation))
- (a) the *systems and controls function* (if it applies to the *firm*); and
 - (b) the *significant management function*;
- (2) (in respect of *bidding in emissions auctions*) that part of the *customer function* specified in ■ SUP 10A.10.7R (7) (bidder's representative).

This does not apply to the *non-executive director function* or the function described in ■ SUP 10A.6.8 R.

- 10A.6.4 **G** (1) The effect of ■ SUP 10A.6.3 R is that a *person* who is approved to perform an *FCA governing function* will not have to be specifically *FCA-approved* to perform the *systems and controls function* or the *significant management function* or the part of the *customer function* specified in ■ SUP 10A.10.7R (7). However, a *person* who is approved to perform an *FCA governing function* will have to be additionally *FCA-*

approved before he can perform any of the *FCA required functions* or the *customer function* (except the part specified in ■ SUP 10A.10.7R (7)).

- (2) ■ SUP 10A.6.3 R does not apply to the *non-executive director function*. It does not apply to the *director function* if the only part of that function that the *FCA-approved person* is performing is the function described in ■ SUP 10A.6.8 R.

10A.6.5 G See ■ MIPRU 2.2 for how the *FCA's approved persons* regime is adjusted for a *firm* carrying on *insurance distribution activity*.

10A.6.6 G [deleted]

Director function (CF1)

10A.6.7 R If a *firm* is a *body corporate* (other than a *limited liability partnership*), the *director function* is the function of acting in the capacity of a *director* (other than *non-executive director*) of that *firm*.

10A.6.8 R (1) If a *firm* is a *body corporate* (other than a *limited liability partnership*), the *director function* is also the function of acting in the capacity of a *person*:

- (a) who is a *director*, partner, officer, member (if the *parent undertaking* or *holding company* is a *limited liability partnership*), *senior manager*, or employee of a *parent undertaking* or *holding company* of the *firm*; and
- (b) whose decisions or actions are regularly taken into account by the *governing body* of the *firm*.

(2) (1) does not apply if that *parent undertaking* or *holding company* has a *Part 4A permission* or is regulated by an *EEA regulator*.

(3) (1) does not apply to the function falling into ■ SUP 10A.6.13 R (*non-executive director* of the *parent undertaking* or *holding company*).

10A.6.9 G Examples of where ■ SUP 10A.6.8 R might apply include (but are not limited to):

- (1) a chairman of an audit committee of a *parent undertaking* or *holding company* of a *UK firm* where that audit committee is working for that *UK firm* (that is, functioning as the audit committee for the *group*); or
- (2) a *director* (other than a *non-executive director*) of a *parent undertaking* or *holding company* of a *UK firm* exercising significant influence by way of his involvement in taking decisions for that *UK firm*; or
- (3) an individual (such as a *senior manager*) of a *parent undertaking* or *holding company* of a *UK firm* who is responsible for and/or has significant influence in setting the objectives for and the remuneration of executive *directors* of that *UK firm*; or

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- (4) an individual who is a *director* (other than a *non-executive director*) or a *senior manager* of a *parent undertaking* or *holding company* of a *UK firm* who is accustomed to influencing the operations of that *UK firm*, and acts in a manner in which it can reasonably be expected that an executive *director* or *senior manager* of that *UK firm* would act; or
- (5) an individual of an *overseas firm* which maintains an establishment in the *United Kingdom* from which *regulated activities* are carried on, where that individual has responsibilities for those *regulated activities* which are likely to enable him to exercise significant influence over the *UK branch*.

10A.6.10 **G** A *director* can be a *body corporate* and may accordingly require approval as an *FCA-approved person* in the same way as a *natural person* may require approval.

10A.6.11 **G** [deleted]

10A.6.11A **R** [deleted]

Non-executive director function (CF2)

10A.6.12 **R** If a *firm* is a *body corporate*, the *non-executive director function* is the function of acting in the capacity of a *non-executive director* of that *firm*.

10A.6.13 **R**

- (1) If a *firm* is a *body corporate*, the *non-executive director function* is also the function of acting in the capacity of a *person*:
 - (a) who is a *non-executive director* of a *parent undertaking* or *holding company*; and
 - (b) whose decisions or actions are regularly taken into account by the *governing body* of the *firm*.
- (2) However, (1) does not apply if that *parent undertaking* or *holding company* has a *Part 4A permission* or is regulated by an *EEA regulator*.

10A.6.14 **G** Examples of where **■** SUP 10A.6.13 R might apply include (but are not limited to):

- (1) an individual who is a *non-executive director* of a *parent undertaking* or *holding company* who takes an active role in the running of the business of a *UK firm*, for example, as a member of a board or committee (on audit or remuneration) of that *firm*; or
- (2) an individual who is a *non-executive director* of a *parent undertaking* or *holding company* having significant influence in setting and monitoring the business strategy of the *UK firm*; or
- (3) an individual who is a *non-executive director* of a *parent undertaking* or *holding company* of a *UK firm* involved in carrying out

responsibilities such as scrutinising the approach of executive management, performance, or standards of conduct of the *UK firm*; or

- (4) an individual who is a *non-executive director* of a *parent undertaking* or *holding company* of a *UK firm* who is accustomed to influence the operations of the *UK firm*, and acts in a way in which it can reasonably be expected that a *non-executive director* of the *UK firm* would act; or
- (5) an individual who is a *non-executive director* of an *overseas firm* which maintains a *branch* in the *United Kingdom* from which *regulated activities* are carried on where that individual has responsibilities for those *regulated activities* which are likely to enable him to exercise significant influence over the *UK branch*.

10A.6.15 G [deleted]

10A.6.15A R [deleted]

10A.6.15B R [deleted]

10A.6.15C G [deleted]

Guidance on persons in a parent undertaking or holding company exercising significant influence

- 10A.6.16 G
- (1) This paragraph explains the basis on which the *director function* and the *non-executive director function* are applied to *persons* who have a position with the *firm's parent undertaking* or *holding company* under ■ SUP 10A.6.8 R or ■ SUP 10A.6.13 R.
 - (2) The basic position is set out in ■ SUP 10A.3.4 G. As is the case with all *controlled functions*, ■ SUP 10A.6.8 R and ■ SUP 10A.6.13 R are subject to the overriding provisions in ■ SUP 10A.3.1 R, which sets out the requirements of section 59(1) and (2) of the *Act*. This means that unless the *firm* has an *arrangement* permitting the performance of these roles by the *persons* concerned, these *persons* will not be performing these *controlled functions*. Therefore, the *FCA* accepts that there will be cases in which a *person* performing these roles will not require approval. However where there is such an *arrangement* the function may apply.

Chief executive function (CF3)

10A.6.17 R The *chief executive function* is the function of acting in the capacity of a *chief executive* of a *firm*.

10A.6.18 G This function is having the responsibility, alone or jointly with one or more others, under the immediate authority of the *governing body*:

- (1) for the conduct of the whole of the business (or relevant activities);
or
- (2) in the case of a *branch* in the *United Kingdom* of an *overseas firm*, for the conduct of all of the activities subject to the *UK regulatory system*.

10A.6.19 **G** For a *branch* in the *United Kingdom* of an *overseas firm*, the *FCA* would not normally expect the *overseas chief executive* of the *firm* as a whole to be *FCA-approved* for this function where there is a *senior manager* under him with specific responsibility for those activities of the *branch* which are subject to the *UK regulatory system*. In some circumstances, the *person* within the *firm* responsible for *UK* operations may, if the function is likely to enable him to exercise significant influence over the *branch*, also perform the *chief executive function* (see ■ SUP 10A.7.4 G).

10A.6.20 **G** A *person* performing the *chief executive function* may be a member of the *governing body* but need not be. If the chairman of the *governing body* is also the *chief executive*, he will be discharging this function. If the responsibility is divided between more than one *person* but not shared, there is no *person* exercising the *chief executive function*. But if that responsibility is discharged jointly by more than one *person*, each of those *persons* will be performing the *chief executive function*.

10A.6.21 **G** Note that a *body corporate* may be a *chief executive*. If so, it will need to be approved to perform the *chief executive function*.

10A.6.22 **G** [deleted]

Partner function (CF4)

10A.6.23 **R**

- (1) If a *firm* is a *partnership*, the *partner function* is the function of acting in the capacity of a *partner* in that *firm*.
- (2) If the principal purpose of the *firm* is to carry on one or more *regulated activities*, each *partner* performs the *partner function*.
- (3) If the principal purpose of the *firm* is other than to carry on *regulated activities*:
 - (a) a *partner* performs the *partner function* to the extent only that he has responsibility for a *regulated activity*; and
 - (b) a *partner* in a *firm* will be taken to have responsibility for each *regulated activity* except where the *partnership* has apportioned responsibility to another *partner* or group of *partners*.

10A.6.24 **G** Any apportionment referred to in ■ SUP 10A.6.23R (3)(b) will have taken place under ■ SYSC 4.3.1 R and ■ SYSC 4.4.3 R. The *FCA* may ask to see details of the apportionment but will not require, as a matter of course, a copy of the material which records this.

10A.6.25 **G** The effect of **■** SUP 10A.1.17 R is that *regulated activity* in **■** SUP 10A.6.23 R (and elsewhere) is to be taken as not including an activity that is a *non-mainstream regulated activity*. Therefore, a *partner* whose only *regulated activities* are incidental to his professional services, in a *partnership* whose principal purpose is to carry on other than *regulated activities*, need not be an *FCA-approved person*. What amounts to the principal purpose of the *firm* is a matter of fact in each case having regard to all the circumstances, including the activities of the *firm* as a whole. Any *regulated activities* which such a partner carries on are not within the description of the *partner function*.

10A.6.26 **R** If a *firm* is a *limited liability partnership*, the *partner function* extends to the *firm* as if the *firm* were a *partnership* and a member of the *firm* were a *partner*.

10A.6.27 **R** If a *partnership* is registered under the Limited Partnership Act 1907, the *partner function* does not extend to any function performed by a limited partner.

10A.6.28 **G** [deleted]

Director of unincorporated association function (CF5)

10A.6.29 **R** If a *firm* is an unincorporated association, the *director of unincorporated association function* is the function of acting in the capacity of a *director* of the unincorporated association.

10A.6.30 **G** [deleted]

Small friendly society function (CF6)

- 10A.6.31** **R**
- (1) If a *firm* is a *non-directive friendly society*, the *small friendly society function* is the function of directing its affairs, either alone or jointly with others.
 - (2) If the principal purpose of the *firm* is to carry on *regulated activities*, each *person* with responsibility for directing its affairs performs the *FCA controlled function*.
 - (3) If the principal purpose of the *firm* is other than to carry on *regulated activities*, a *person* performs the *small friendly society function* only to the extent that he has responsibility for a *regulated activity*.

- 10A.6.32** **R**
- (1) Each *person* on the *non-directive friendly society's governing body* will be taken to have responsibility for its *regulated activities*, unless the *firm* has apportioned this responsibility to one particular individual to whom it is reasonable to give this responsibility.
 - (2) The individual need not be a member of the *governing body*.

- 10A.6.33 **G** Typically a *non-directive friendly Society* will appoint a “committee of management” to direct its affairs. However, the governing arrangements may be informal and flexible. If this is the case, the *FCA* would expect the society to resolve to give responsibility for the carrying on of *regulated activities* to one individual who is appropriate in all the circumstances. That individual may, for example, have the title of *chief executive* or similar. The individual would have to be an *FCA-approved person* under ■ SUP 10A.6.31 R.
- 10A.6.34 **G** In practice, the *FCA* expects that most *non-directive friendly societies* will be *PRA-authorised persons*. Where that is the case, this chapter does not apply and so the *small friendly society function* will not apply.

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10A.7 FCA required functions

Apportionment and oversight function (CF8)

- 10A.7.1** R (1) The *apportionment and oversight function* is the function of acting in the capacity of a *director* or *senior manager* responsible for the apportionment function and/or the oversight function set out in ■ SYSC 4.4.5R.

(2) [deleted]
- 10A.7.2** G In requiring someone to apportion responsibility, a *common platform firm* should not apply for that *person* or *persons* to be FCA-approved to perform the *apportionment and oversight function* (see ■ SUP 10A.7.1 R and ■ SYSC 1 Annex 1).
- 10A.7.3** G The fact that there is a *person* performing the *apportionment and oversight function*, and who has responsibility for activities subject to regulation by the FCA, may have a bearing on whether a manager who is based overseas will be performing an *FCA controlled function*. It is a factor to take into account when assessing the likely influence of the overseas manager.
- 10A.7.4** G Generally, in relation to a UK establishment of an *overseas firm* or a *firm* which is part of an *overseas group*, where an overseas manager's responsibilities in relation to the *United Kingdom* are strategic only, they will not need to be an *FCA-approved person*. However, where, in accordance with ■ SYSC 4 to ■ SYSC 10, they are responsible for implementing that strategy in the *United Kingdom*, and have not delegated that responsibility to a *senior manager* in the *United Kingdom*, they are likely to be performing an *FCA controlled function* for example, the *chief executive function*.
- 10A.7.5** G A *firm* carrying on *insurance distribution activity*, other than a *sole trader*, must allocate to a *director* or *senior manager* the responsibility for the *firm's insurance distribution activity* (■ MIPRU 2.2.1 R). The *firm* may allocate this responsibility to the *person* performing the *apportionment and oversight function*.
- 10A.7.6** G Where the *person* performing the *apportionment and oversight function* is also responsible for the *firm's insurance distribution activity*, the words "(insurance distribution)" will be inserted after this *FCA controlled function* (see ■ MIPRU 2.2.5 G).

10A.7.7 **G** [deleted]

Compliance oversight function (CF10)

10A.7.8 **R** The *compliance oversight function* is the function of acting in the capacity of:

- (1) a *director or senior manager* who is allocated the function set out in:
 - (a) [deleted]
 - (b) ■ SYSC 6.1.4R(2); or
 - (c) article 22(3) of the *MiFID Org Regulation*; or
 - (d) article 22(3) of the *MiFID Org Regulation* (as applied in accordance with ■ SYSC 1 Annex 1 2.8AR, ■ SYSC 1 Annex 1 3.2-AR, ■ SYSC 1 Annex 1 3.2-BR, ■ SYSC 1 Annex 1 3.2CR and ■ SYSC 1 Annex 1 3.3R); or
 - (e) ■ SYSC 6.1.4CR; or
- (2) for a *full-scope UK AIFM*, a person allocated the function in article 61(3)(b) of the *AIFMD level 2 regulation*.

CASS operational oversight function (CF10a)

10A.7.9 **R** In relation to a *CASS medium firm* and a *CASS large firm* (other than a *CASS large debt management firm*), the *CASS operational oversight function* is the function of acting in the capacity of a *person* to whom is allocated the function set out in ■ CASS 1A.3.1A R.

10A.7.9A **R** In relation to a *CASS large debt management firm*, the *CASS operational oversight function* is the function of acting in the capacity of a *person* to whom is allocated the function in ■ CASS 11.3.4 R.

Money laundering reporting function (CF11)

10A.7.10 **R** The *money laundering reporting function* is the function of acting in the capacity of the *money laundering reporting officer* of a *firm*.

10A.7.11 **G** A *firm's* obligations in respect of its *money laundering reporting officer* are set out elsewhere in the *FCA Handbook* (see ■ SYSC 6.3.9 R and for its scope, see the application provisions in ■ SYSC 1 Annex 1).

10A.7.12 **R** [deleted]

10A.7.13 **R** [deleted]

10A.7.14 **R** [deleted]

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10A.8 Systems and controls functions

Systems and controls function (CF28)

- 10A.8.1** **R** The *systems and controls function* is the function of acting in the capacity of an *employee* of the *firm* with responsibility for reporting to the *governing body* of a *firm*, or the audit committee (or its equivalent) in relation to:
- (1) its financial affairs;
 - (2) setting and controlling its risk exposure (see **■** SYSC 7.1.6R, article 23(2) of the *MiFID Org Regulation* and article 23(2) of the *MiFID Org Regulation* (as applied in accordance with **■** SYSC 1 Annex 1 2.8AR, **■** SYSC 1 Annex 1 3.2-AR, **■** SYSC 1 Annex 1 3.2-BR, **■** SYSC 1 Annex 1 3.2CR and **■** SYSC 1 Annex 1 3.3R)); and
 - (3) adherence to internal systems and controls, procedures and policies (see **■** SYSC 6.2, article 24 of the *MiFID Org Regulation* and article 24 of the *MiFID Org Regulation* (as applied in accordance with **■** SYSC 1 Annex 1 2.8AR, **■** SYSC 1 Annex 1 3.2-AR, **■** SYSC 1 Annex 1 3.2-BR, **■** SYSC 1 Annex 1 3.2CR and **■** SYSC 1 Annex 1 3.3R)).
- R** [deleted]
- 10A.8.2** **R** The *systems and controls function* does not apply in relation to:
- bidding in emissions auctions* carried on by a *firm* that is exempt from *MiFID* under article 2(1)(j); or
 - benchmark activities*.
- 10A.8.3** **G** [deleted]
- 10A.8.4** **G** Where an *employee* performs the *systems and controls function* the *FCA* would expect the *firm* to ensure that the *employee* had sufficient expertise and authority to perform that function effectively. A *director* or *senior manager* would meet this expectation.
- Full scope UK AIFM**
- 10A.8.5** **G** For a full-scope UK AIFM, the requirement to have an *employee* responsible for reporting to the *governing body* of the *firm* or the audit committee for

matters in ■ SUP 10A.8.1R (2) and ■ SUP 10A.8.1R (3) is derived from the AIFMD level 2 regulation, which imposes obligations on such *firms* to have a permanent risk management function and, where appropriate and proportionate for their business, an internal audit function.



10A.9 Significant management functions

Application

- 10A.9.1** **R** ■ SUP 10A.9 applies only to a *firm* which:
- (1) under ■ SYSC 4.1.1 R, apportions a significant responsibility, within the description of the *significant management function*, to a *senior manager* of a significant business unit; or
 - (2) undertakes *proprietary trading*.
 - (3) [deleted]
- 10A.9.2** **G** The *FCA* anticipates that there will be only a few *firms* needing to seek approval for an individual to perform the *significant management function* set out in ■ SUP 10A.9.1R (1). In most *firms*, those approved for the *FCA governing functions*, *FCA required functions* and, where appropriate, the *systems and controls function*, are likely to exercise all the significant influence at senior management level.
- 10A.9.3** **G** A *proprietary trader* undertakes activities with the *firm's money* and has the ability to commit the *firm*. By virtue of this role, all *proprietary traders* have potential to be able to exercise significant influence on the *firm* for the purposes of the definition of *significant-influence function*. Therefore, it is the *FCA's* expectation that all *firms* will assess all their *proprietary traders* to ascertain the ones for whom approval is required.
- 10A.9.4** **G** The scale, nature and complexity of the *firm's* business may be such that a *firm* apportions, under ■ SUP 10A.9.1R (1), a significant responsibility to an individual who is not approved to perform the *FCA governing functions*, *FCA required functions* or, where appropriate, the *systems and controls function*. If so, the *firm* should consider whether the functions of that individual fall within the *significant management function*. For the purposes of the description of the *significant management functions*, the following additional factors about the *firm* should be considered:
- (1) the size and significance of the *firm's* business in the *United Kingdom*; for example, a *firm* carrying on *designated investment business* may have a large number of *approved persons* (for example, in excess of 100 individuals);
 - (2) the number of *regulated activities* carried on, or proposed to be carried on, by the *firm* and (if relevant) other members of the *group*;

- (3) its *group* structure (if it is a member of a *group*);
- (4) its management structure (for example, matrix management); and
- (5) the size and significance of its international operations, if any.

10A.9.5 **G** When considering whether a business unit is significant, the *firm* should take into account all relevant factors in the light of the *firm's* current circumstances and its plans for the future, including:

- (1) the risk profile of the unit; or
- (2) its use or commitment of a *firm's* capital; or
- (3) its contribution to the profit and loss account; or
- (4) the number of *employees* or *approved persons* in the unit; or
- (5) the number of *customers* of the unit; or
- (6) any other factor which makes the unit significant to the conduct of the *firm's* affairs so far as relating to the *regulated activity*.

10A.9.6 **G** The question may arise whether a manager who is based overseas will be performing the *significant management function* under ■ SUP 10A.9.9 R and should, therefore, be an *FCA-approved person*. This is especially true where the *firm* operates matrix management. The fact there is a *person* performing the *apportionment and oversight function*, and who has responsibility for activities subject to regulation by the *FCA*, may have a bearing on this. It is a factor to take into account when assessing the likely influence of the overseas manager.

10A.9.7 **G** Generally, in relation to a *branch* of a *firm*, or a *firm* which is part of an overseas *group*, where an overseas *manager* is responsible for strategy, he will not need to be approved for the *significant management function*. However, where he is responsible for implementing that strategy in the *United Kingdom*, and has not delegated that responsibility to a *senior manager* in the *United Kingdom*, he is likely to be performing that *FCA controlled function*.

10A.9.8 **G** See also ■ SUP 10A.7.3 G to ■ SUP 10A.7.6 G in relation to matrix management.

Significant management function (CF29)

10A.9.9 **R** The *significant management function* is the function of acting as a *senior manager* with significant responsibility for a significant business unit that:

- (1) carries on *designated investment business* or other activities not falling within (2) to (4);
- (2) [deleted]
- (2A) carries on *credit-related regulated activity*;

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- (3) makes material decisions on the commitment of a *firm's* financial resources, its financial commitments, its assets acquisitions, its liability management and its overall cash and capital planning;
- (4) processes confirmations, payments, settlements, insurance claims, *client money* and similar matters.
- (5) [deleted]

10A.9.10 **R** The *significant management function* also includes the function of acting as a *proprietary trader*.

10A.9.11 **R** The *significant management function* does not include any of the activities described in any other *FCA controlled function* if that other *controlled function* applies to the *firm*.

10A.9.12 **G** A *senior manager* carrying on the *significant management function* under **■ SUP 10A.9.9 R** with significant responsibility for a significant business unit that carries on activities other than *designated investment business* for the purposes of **■ SUP 10A.9.9R (1)** could, for example, be the head of a unit carrying on the activities of: personal lending, corporate lending, salvage or loan recovery, or *proprietary trading*, or a member of a committee (that is, a *person* who, together with others, has authority to commit the *firm*) making decisions in these functions.

10A.9.13 **G** A *proprietary trader* also undertakes activities which may have a significant influence on the *firm*. Such activities may require approval for CF29 under **■ SUP 10A.9.10 R**.

10A.9.14 **G** A *firm* carrying on *insurance distribution activity*, other than a *sole trader*, must allocate to a *director* or *senior manager* the responsibility for the *firm's insurance distribution activity* (**■ MIPRU 2.2.1 R**). The *firm* may allocate this responsibility to the *person* performing the *significant management function*.

10A.9.15 **G** Where the *person* performing the *significant management function* is also responsible for the *firm's insurance distribution activity*, the words "(insurance distribution)" will be inserted after this *FCA controlled function* (see **■ MIPRU 2.2.5 G**).



10A.10 Customer-dealing functions

Introduction

10A.10.1 **R** ■ SUP 10A.10 applies with respect to activities carried on from an establishment maintained by the *firm* (or by its *appointed representative*) in the *United Kingdom*.

10A.10.2 **G** Without ■ SUP 10A.10.1 R, the description of the *customer function* would extend to this function wherever it was performed. The effect of ■ SUP 10A.10.1 R is that the description is limited, in relation to *regulated activities* with an overseas element, in a manner which is broadly consistent with the scope of conduct of business regulation.

10A.10.3 **G** The *customer function* has to do with giving advice on, *dealing* and arranging deals in and *managing investments*; it has no application to banking business such as deposit taking and lending, nor to *general insurance business* or *credit-related regulated activity*.

The basic rule about the customer function

10A.10.4 **R** The *customer function* is one which comes within the definition of a *customer-dealing function*.

10A.10.5 **R** The customer-dealing function, in relation to the carrying on of a *regulated activity* by a *firm* ("A"), means a function that will involve the *person* performing it in dealing with:

- (1) customers of A; or
- (2) property of customers of A;

10A.10.5A **R** In ■ SUP 10A.10.5R, *customer*, in relation to a *firm*, means a *person* who is using, or who is or may be contemplating using, any of the services provided by the *firm*.

10A.10.6 **G** The FCA interprets the phrase "dealing with" as including having contact with customers and extending beyond "dealing" as used in the phrase "dealing in investments". "Dealing in" is used in Schedule 2 to the Act to describe in general terms the *regulated activities* which are specified in Part II of the *Regulated Activities Order*.

Customer function (CF 30)

10A.10.7 **R**

The *customer function* is the function of:

- (1) *advising on investments* other than a *non-investment insurance contract* (but not where this is *advising on investments* in the course of carrying on the activity of giving *basic advice* on a *stakeholder product*) and performing other functions related to this such as *dealing* and *arranging*;
- (2) giving advice to *clients* solely in connection with *corporate finance business* and performing other functions related to this;
- (3) giving advice or performing related activities in connection with *pension transfers*, *pension conversions* or *pension opt-outs* for *retail clients*;
- (4) giving advice to a *person* to become, or continue or cease to be, a member of a particular Lloyd's syndicate;
- (5) *dealing*, as principal or as agent, and *arranging (bringing about) deals in investments* other than a *non-investment insurance contract* with, for, or in connection with *customers* where the *dealing* or *arranging deals* is governed by ■ COBS 11 (Dealing and managing);
- (6) acting in the capacity of an *investment manager* and carrying on functions connected to this;
- (7) in relation to *bidding in emissions auctions*, acting as a 'bidder's representative' within the meaning of subparagraph 3 of article 6(3) of the *auction regulation*.

10A.10.8 **R**

The *customer function* does not extend to an individual who is performing the functions in ■ SUP 10A.10.7R (1) to ■ SUP 10A.10.7R (2) or ■ SUP 10A.10.7R (5) to ■ (7) and who is based overseas and who, in a 12-month period, spends no more than 30 days in the *United Kingdom* to the extent that he is appropriately supervised by a *person* approved for this function.

10A.10.9 **G**

The *FCA* would expect an individual from overseas to be accompanied on a visit to a *customer*. ■ TC 2.1.9 R (2) provides that the *firm* will have to be satisfied that the individual has at least three years of up-to-date, relevant experience obtained outside the *United Kingdom*. However, the remaining provisions of ■ TC 2.1.9 R (2) are disapplied in these circumstances (except for an individual who gives advice to *retail clients* on *retail investment products*, *gives advice on P2P agreements* to *retail clients* or is a *broker fund adviser*). The effect of this is that such individuals need not attain the relevant regulatory module of an appropriate qualification (see ■ TC 2.1.9 R (2)).

10A.10.10 **G**

The *customer function* in ■ SUP 10A.10.7R (5) does not extend to the individual who, on the instructions of the *customer*, simply inputs the *customer's* instructions into an automatic execution system where no discretion is or may be exercised by the individual performing the activity. Nor does it extend to merely introducing a *customer* to a *firm* or distributing advertisements.

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- 10A.10.11 **G** An individual may *advise on investments* prior to being assessed as competent in accordance with the *rules* in the Senior Management Arrangements, Systems and Controls sourcebook (*SYSC*) and, where relevant, the Training and Competence sourcebook (*TC*). The *firm* should record when that *person* subsequently becomes competent.



10A.12 Procedures relating to FCA-approved persons

Forms

10A.12.1 **G** The forms listed in **■ SUP 10A.12.2 G** are referred to in **■ SUP 10A.12** (Procedures relating to FCA-approved persons) to **■ SUP 10A.17** (Further questions).

10A.12.2 **G** Table: FCA-approved persons forms

| Form | | Purpose | Handbook requirement |
|---------------------|---|---|----------------------|
| the relevant Form A | The relevant online form on the <i>FCA and PRA's online notification and application system</i> or the form in SUP 10A Annex 4D (See Note) | Application to perform controlled functions under the approved persons regime | SUP 10A.13.3 D |
| Form B | SUP 10C Annex 4R | Notice to withdraw an application to perform controlled functions under the approved persons regime | SUP 10A.13.19 R |
| Form C | SUP 10C Annex 5R | Notice of ceasing to perform controlled functions | SUP 10A.14.8 R |
| Form D | SUP 10C Annex 6R | Notification of changes in personal information or application details | SUP 10A.14.15 R |
| Form E | The relevant online form on the <i>FCA and PRA's online notification and application system</i> system or the form in SUP 10A Annex 8D (See Note) | Internal transfer of an <i>approved person</i> | SUP 10A.14.4 D |

Note (1): The form in the SUP annex shown is to be used by a *firm* whose *Part 4A permission* covers only *credit-related regulated activities*, and by

| Form | Purpose | Handbook requirement |
|------|---|----------------------|
| | other <i>firms</i> only in the event of a failure of the information technology systems used by the <i>FCA</i> . See the relevant "Handbook requirement". | |
| | Note (2): Where SUP 10A.1.16BR (appointed representative of an <i>SMCR firm</i>) applies, the version of the form to be used is the one required by SUP 10C (FCA senior managers regime for approved persons in <i>SMCR firms</i>). | |

- 10A.12.3 **G** A summary of the forms and their purposes is in ■ SUP 10A Annex 2.
- 10A.12.4 **G** Unless the context otherwise requires, in ■ SUP 10A.12 (Procedures relating to FCA-approved persons) to ■ SUP 10A.17 (Further questions) where reference is made to a *firm*, this also includes an applicant for *Part 4A permission*, and other *persons* seeking to carry on *regulated activities* as an *authorised person*.
- 10A.12.5 **G** Forms B, C, D and E can only be submitted in respect of an *FCA-approved person* by the *firm* that submitted an *FCA-approved person's* original application (the relevant Form A).
- 10A.12.6 **G** Copies of Forms A, B, C, D and E may be obtained from the *FCA* website. *Credit unions* can obtain copies from the *FCA's* Contact Centre. To contact the *FCA's* Contact Centre for *approved persons* enquiries:
 - (1) telephone 0300 500 0597; or
 - (2) e-mail firm.queries@fca.org.uk; or
 - (3) fax 020 7066 0017; or
 - (4) write to:
 - Customer Contact Centre
 - The Financial Conduct Authority
 - 12 Endeavour Square
 - London
 - E20 1JN.



10A.13 Application for approval and withdrawing an application for approval

When to apply for approval

- 10A.13.1 **G** In accordance with section 59 of the *Act* (Approval for particular arrangements), where a *candidate* will be performing one or more *FCA controlled functions*, a *firm* must take reasonable care to ensure that the candidate does not perform these functions unless he has prior approval from the *FCA*.

Failure to apply for approval

- 10A.13.2 **G** If a *person* performs an *FCA controlled function* without approval it is not only the *firm* that is accountable. Under section 63A of the *Act* (Power to impose penalties), if the *FCA* is satisfied that:
- (1) a *person* (“P”) has at any time performed an *FCA controlled function* without approval; and
 - (2) at that time P knew, or could reasonably be expected to have known, that P was performing an *FCA controlled function* without approval;

it may impose a penalty on P of such amount as it considers appropriate.

How to apply for approval

- 10A.13.3 **D** An application by a *firm* for the *FCA*'s approval under section 59 of the *Act* (Approval for particular arrangements) must be made by completing Form A (except where **SUP 10A.14.4 D** requires a Form E).

- 10A.13.3A **D** If a *firm* must make an application using Form A, it must use Form A (shortened form) if:

- (1) the *candidate*:
 - (a) has *current approved person approval* to perform:
 - (i) an *FCA controlled function* that is a *significant influence function*; or
 - (ii) an *FCA-designated senior management function*; or
 - (iii) a *PRA controlled function*; or

(b) has had *current approved person approval* of the type described in (a) within the previous six *months*; and

(2) there have been no matters arising in relation to the fitness and propriety of the *person* to whom the application relates which mean that the information provided to the *FCA* or the *PRA* regarding fitness and propriety in connection with the *current approved person approval* in (1)(a) or (b) may have changed since the application for that *current approved person approval* was made.

10A.13.3B **D** A *firm* must not use Form A (shortened form) if:

(1) the *firm* is a *MiFID investment firm* (except a *credit institution*); and

(2) ■ SUP 10A.14.4BD applies to that application.

10A.13.4 **G** ■ SUP 10A.16.1 D explains how applications should be submitted.

10A.13.4A **G** When a *MiFID investment firm* (except a *credit institution*) notifies the *FCA* of a change using Form A or Form E, they must also submit the MiFID Article 4 APER Information Form. The details can be found in ■ SUP 10A.14.4BD.

Who should make the application?

10A.13.5 **G** (1) In accordance with section 60 of the *Act* (Applications for approval), applications must be submitted by, or on behalf of, the *firm* itself, not by:

(a) the *FCA candidate*; or

(b) (where the *FCA candidate* works for the *firm's parent undertaking* or *holding company*) by the *firm's parent undertaking* or *holding company*.

(2) Usually this will be the *firm* that is employing the *FCA candidate* to perform the *FCA controlled function*. Where a *firm* has outsourced the performance of an *FCA controlled function*, the details of the outsourcing determine where responsibility lies and whom the *FCA* anticipates will submit *FCA-approved persons* application forms. ■ SUP 10A.13.6 G describes some common situations. The *firm* which is outsourcing is referred to as "A" and the *person* to whom the performance of the *FCA controlled function* has been outsourced, or which makes the arrangement for the *FCA controlled function* to be performed, is referred to as "B". In each situation, A must take reasonable care to ensure that, in accordance with section 59(2) of the *Act*, no *person* performs an *FCA controlled function* under an arrangement entered into by its contractor in relation to the carrying on by A of a *regulated activity*, without approval from the *FCA*. See also ■ SYSC 8.1.1 R.

10A.13.6 **G** Outsourcing arrangements

| Outsourcing arrangements | | Submitting form |
|---|---|---|
| <i>Firm A to firm B</i> | The <i>FCA</i> will consider A to have taken reasonable care if it enters into a contract with B under which B is responsible for ensuring that the relevant <i>FCA controlled functions</i> are performed by <i>FCA-approved persons</i> , and that it is reasonable for A to rely on this | <i>Firm B</i> submits <i>FCA-approved persons</i> forms on behalf of <i>firm A</i> |
| Outsourcing by A to B (both being a member of the same <i>United Kingdom</i> group and each having its registered office in the <i>United Kingdom</i>) | See SUP 10A.3.4 G | See SUP 15.7.8 G |
| (i) A to B, where B is a non-authorized person not part of the same group as A | Responsibility for (as opposed to the performance of) any activity outsourced to B will remain with A. See SYSC 8 | A ensures that an individual approved by the <i>FCA</i> under a controlled function that is a <i>significant-influence function</i> has responsibility for the outsourced arrangement and A submits a form in relation to that individual |
| (ii) A to B, where A is a branch of an overseas firm in the <i>United Kingdom</i> , and B is an overseas undertaking of the same group | | |
| (iii) A to B, where A is a UK authorised subsidiary of an overseas firm and B is an overseas undertaking of the same group | | |

10A.13.7 G Where the notification of an *appointed representative* (■ SUP 12.7.1 R) is linked to an application for approval (■ SUP 10A.13 (Applications for approval and withdrawing an application for approval)), any delay in receiving the notification under ■ SUP 12.7.1 R may delay the *FCA*'s approval of the individuals employed by that *appointed representative* who will be performing *FCA controlled functions* for the *firm*.

Processing an application

10A.13.8 G The *Act* sets out the time that the *FCA* has to consider an application and come to a decision.

10A.13.9 G In any case where the application for approval is made by a *person* applying for *permission* under Part 4A of the *Act*, the *FCA* has until the end of whichever of the following periods ends last:

- (1) the period within which an application for that *permission* must be determined; and

(2) the period of three months from the time it receives a properly completed application.

10A.13.10 **G** In any other case it is the period of three months from the time it receives a properly completed application.

10A.13.11 **G** The *FCA* must either grant the application or, if it proposes not to grant an application, issue a *warning notice* (see ■ DEPP 2). The *FCA* will deal with cases more quickly than this whenever circumstances allow and will try to meet the standard response times published on the website and in its Annual Report. However, if an application is incomplete when received, or the *FCA* has knowledge that, or reason to believe that, the information is incomplete, then the processing time will be longer than the published standard response times.

10A.13.12 **G** Application forms must always be completed fully and honestly. Further notes on how to complete the form are contained in each form. If forms are not completed fully and honestly, applications will be subject to investigation and the *FCA candidate's* suitability to be approved to undertake an *FCA controlled function* will be called into question. A *person* who provides information to the *FCA* that is false or misleading may commit a criminal offence, and could face prosecution under section 398 of the *Act* regardless of the status of their application.

10A.13.13 **G** If there is a delay in processing the application within the standard response time, the *FCA* will tell the *firm* making the application as soon as this becomes apparent.

10A.13.14 **G** Before making a decision to grant the application or give a *warning notice*, the *FCA* may ask the *firm* for more information about the *FCA candidate*. If it does this, the three-month period in which the *FCA* must determine a completed application:

- (1) will stop on the day the *FCA* requests the information; and
- (2) will start running again on the day on which the *FCA* finally receives all the requested information.

10A.13.15 **G** The *FCA* may grant an application only if it is satisfied that the *FCA candidate* is a fit and proper *person* to perform the *FCA controlled function* stated in the application form. Responsibility lies with the *firm* making the application to satisfy the *FCA* that the *FCA candidate* is fit and proper to perform the *FCA controlled function* applied for.

10A.13.16 **G** For further guidance on criteria for assessing whether a *FCA candidate* is fit and proper, see *FIT*.

Decisions on applications

10A.13.17 **G** Whenever it grants an application, the *FCA* will confirm this in writing to all *interested parties*.

10A.13.18 **G** If the *FCA* proposes to refuse an application in relation to one or more *FCA controlled functions*, it must follow the procedures for issuing *warning* and *decision notices* to all *interested parties*. The requirements relating to warning and decision notices are in ■ **DEPP 2**.

Withdrawing an application for approval

10A.13.19 **R** A *firm* notifying the *FCA* of its withdrawal of an application for approval must notify the *FCA* using Form B (■ **SUP 10C Annex 4R**).

10A.13.20 **G** Under section 61(5) of the *Act* (Determination of applications), the *firm* may withdraw an application only if it also has the consent of the *candidate* and the *person* by whom the *candidate* is or would have been employed, if this is not the *firm* making the application.



10A.14 Changes to an FCA-approved person's details

Moving within a firm

- 10A.14.1** **G** An *FCA-approved person's* job may change from time to time as a result, for instance, of a change in personal job responsibilities or a *firm's regulated activities*. Where the changes will involve the *person* performing one or more *FCA controlled functions* different from those for which approval has already been granted, then an application must be made to the *FCA* for approval for the *person* to perform those *FCA controlled functions*. The *firm* must take reasonable care to ensure that an individual does not begin performing an *FCA controlled function* until the *FCA* has granted *FCA-approved person* status to that individual in respect of that *FCA controlled function*.
- 10A.14.2** **G** If an *FCA-approved person* or a *PRA-approved person* is ceasing to perform *FCA controlled functions* or a *PRA controlled function*, as well as applying for approval in respect of *FCA controlled functions* within the same firm or group, the firm should generally use Form E. Further details can be found in ■ SUP 10A.14.4D.
- 10A.14.3** **G** If a *person* is to perform an *FCA controlled function* for a *firm* for which they already perform an *FCA controlled function* as an *approved person* but they are not at the same time ceasing to perform an *FCA controlled function* or *PRA controlled function* for the *firm* or a *firm* in the same *group*, a *firm* should use Form A. See ■ SUP 10A.13.3D and ■ SUP 10A.13.3AD for further details.
- 10A.14.4** **D**
- (1) A *firm* must use Form E where an *approved person* is both ceasing to perform one or more *controlled functions* and needs to be approved in relation to one or more *FCA controlled functions* within the same *firm* or *group*.
 - (2) A *firm* must not use Form E if:
 - (a) the *approved person* has never before been approved to perform for any *firm*:
 - (i) an *FCA controlled function* that is a *significant-influence function*; or
 - (ii) an *FCA-designated senior management function*; or
 - (iii) a *PRA controlled function*;

- (b) the *approved person* has not been subject to a *current approved person approval* from the FCA or PRA to perform:
 - (i) an *FCA controlled function* that is a *significant-influence function*; or
 - (ii) an *FCA-designated senior management function*; or
 - (iii) a *PRA controlled function*; in relation to any *firm* for more than six months; or
- (c) any of the following apply (where applicable):
 - (i) a notification referred to in ■ SUP 10C.10.9D(4)(b) or (c) (notification obligations under the Act applying to *SMCR firms*) has been made or should be made; or
 - (ii) any of the circumstances in ■ SUP 10A.14.10R (Qualified Form C) apply; in relation to any:
 - (iii) *controlled functions* which that *person* is ceasing to perform (as referred to in (1)); or
 - (iv) *controlled function* that they are continuing to perform for that *firm* or a *firm* in the same *group*.

(3) A *firm* must not use Form E if a notification has been made or should be made under:

- (a) ■ SUP 10A.14.17R (Changes in fitness to be notified under Form D);
- (b) ■ SUP 10C.14.18R (the corresponding requirement for *SMCR firms*); or
- (c) the corresponding *PRA* requirements to (a).

(whichever is applicable) in relation to any *controlled functions* that that *person* is ceasing to perform (as referred to in (1)) or any *controlled function* that he is continuing to perform in relation to that *firm* or a *firm* in the same *group*.

10A.14.4A G

- (1) The *MiFID authorisation and management body change notification ITS* requires that *MiFID investment firms* (except *credit institutions*) submit the Annex III information on the ESMA template available at <https://www.fca.org.uk/publication/forms/mifid-changes-management-body-form.docx> ('Annex III template') where there is a change to a member of the *management body* or a *person* who effectively directs the business.
- (2) *MiFID investment firms* (except *credit institutions*) need to submit this Annex III template within ten *business days* of the change in the *online notification and application system* (also known as Connect).
- (3) ■ SUP 10A.14.4BD explains how this requirement fits in with the requirement to submit a Form A or Form E.
- (4) [deleted]

10A.14.4AA G

- (1) The *MiFID authorisation and management body change notification ITS* requires that a *person* applying to be a *MiFID investment firm*

(except a *credit institution*) notify the *appropriate regulator* of information about members of its *management body* by filling in the template set out in Annex II of the *MiFID authorisation and management body change notification ITS*.

- (2) This applies whether:
 - (a) the *person* is applying for *authorisation*; or
 - (b) the *person* is a *firm* applying for a variation of its *permission* that would turn it into a *MiFID investment firm*.
- (3) The requirement in ■ SUP 10A.14.4BD to fill in the MiFID Article 4 SMR Information Form along with a Form A or Form E does not apply.

10A.14.4B G

Where:

- (1) there is a change to a member of the *management body* or *person* who directs the business of a *MiFID investment firm* (except a *credit institution*) that the *firm* must notify to the *appropriate regulator* under Annex III of the *MiFID authorisation and management body change notification ITS*; and
- (2) that change also requires the *firm* to apply for approval for that member or *person* to perform an *FCA controlled function*;

the *firm* must submit to the *FCA* the completed form found in ■ SUP 10A Annex 10D (MiFID Article 4 APER Information Form) at the same time as submitting the Form A or Form E about a the *candidate*.

10A.14.4C G

MiFID investment firms (except credit institutions) who submit:

- (1) Form A and/or E; and
- (2) the MiFID Article 4 APER Information Form

about a *candidate* may complete the Annex III template outlined in ■ SUP 10A.14.4AG(1) by cross-referring to any information required by the template that has been included in the relevant Form A or Form E . The template should be annexed to the relevant Form A or Form E.

10A.14.5 G

■ SUP 10A.16.1 D explains how applications should be submitted.

Moving between firms

10A.14.6 G

If it is proposed that an *FCA-approved person* will no longer be performing an *FCA controlled function* under an *arrangement* entered into by one *firm* or one of its contractors, but will be performing the same or a different *FCA controlled function* under an *arrangement* entered into by a new *firm* or one of its contractors (whether or not the new *firm* is in the same *group* as the old *firm*), the new *firm* will be required to make a fresh application for the performance of the *FCA controlled function* by that *person*.

10A.14.7 G

[deleted]

Ceasing to perform an FCA controlled function

10A.14.8 **R**

- (1) A *firm* must submit to the *FCA* a completed Form C (■ SUP 10C Annex 5R) no later than ten business days after an *FCA-approved person* ceases to perform an *FCA controlled function*.
 - (2) If:
 - (a) the *firm* is also making an application for approval for that *approved person* to perform a *controlled function* within the same *firm* or *group*; and
 - (b) ceasing to perform the *FCA controlled function* in (1) has triggered a requirement to make that application for approval:
 - (i) to the *FCA* using Form E (rather than a Form A) under ■ SUP 10A or ■ SUP 10C; or
 - (ii) to the *PRA* using the *PRA's* Form E in accordance with the corresponding *PRA* requirements;
- it must make the notification under (1) using that Form E.

10A.14.9 **G**

■ SUP 10A.16.2 R explains how notifications should be submitted.

10A.14.9A **G**

The *MiFID authorisation and management body change notification ITS* requires that a *MiFID investment firm* (except a *credit institution*) submit the information in Annex III of the *MiFID authorisation and management body change notification ITS* on the *ESMA* template where there is a change to a member of the *management body* or a *person* who effectively directs the business.

This means that a *MiFID investment firm* required to notify the *FCA* under (1) may also need to submit the Annex III information along with the Form C or Form E.

See ■ SUP 10A.14.4AG to ■ SUP 10A.14.4CG for more about these notification requirements in a case in which the *firm* is applying for approval under section 59 of the *Act* (Approval for particular arrangements).

10A.14.10 **R**

- (1) A *firm* must notify the *FCA* as soon as practicable after it becomes aware, or has information which reasonably suggests, that it will submit a qualified Form C in respect of an *FCA-approved person*.
- (2) Form C is qualified if the information it contains:
 - (a) relates to the fact that the *firm* has dismissed, or suspended, the *FCA-approved person* from its employment; or
 - (b) relates to the resignation by the *FCA-approved person* while under investigation by the *firm*, the *FCA* or any other *regulatory body*; or
 - (c) otherwise reasonably suggests that it may affect the *FCA's* assessment of the *FCA-approved person's* fitness and propriety.

10A.14.11 **G** Notification under **■ SUP 10A.14.10 R** may be made by telephone, email or fax and should be made, where possible, within one *business day* of the *firm* becoming aware of the information. If the *firm* does not submit Form C, it should inform the *FCA* in due course of the reason. This could be done using Form D, if appropriate.

10A.14.12 **G** A *firm* is responsible for notifying the *FCA* if any *FCA-approved person* has ceased to perform an *FCA controlled function* under an arrangement entered into by its *appointed representative* or former *appointed representative*.

10A.14.13 **G** A *firm* can submit Form C or Form E and the MiFID Article 4 APER Information Form to the *FCA* in advance of the cessation date. When a *person* ceases the arrangement under which they perform an *FCA controlled function*, they will automatically cease to be an *FCA-approved person* in relation to that *FCA controlled function*. A *person* can only be an *FCA-approved person* in relation to a specific *FCA controlled function*. Therefore, a *person* is not an *FCA-approved person* during any period between ceasing to perform one *FCA controlled function* (when they are performing no other *FCA controlled function*) and being approved in respect of another *FCA controlled function*.

10A.14.14 **G** Sending forms promptly will help to ensure that any fresh application can be processed within the standard response times.

Changes to an approved person's personal details

10A.14.15 **R** If an *FCA-approved person's* title, name or national insurance number changes, the *firm* for which the *person* performs an *FCA controlled function* must notify the *FCA* on Form D (**■ SUP 10C Annex 6R**) of that change within seven *business days* of the *firm* becoming aware of the matter.

10A.14.16 **G** The duty to notify in **■ SUP 10A.14.15 R** does not apply to changes to an *FCA-approved person's* private address.

10A.14.17 **R** If a *firm* becomes aware of information which would reasonably be material to the assessment of an *FCA-approved person's*, or a *FCA candidate's*, fitness and propriety (see FIT), it must inform the *FCA* on Form D, or (if it is more practical to do so and with the prior agreement of the *FCA*) by e-mail or fax, as soon as practicable.

10A.14.18 **G** **■ SUP 10A.16.2 R** applies to the submission of Form D.

10A.14.19 **G** Failing to disclose relevant information to the *FCA* may be a criminal offence under section 398 of the *Act*.

10A.14.20 **R** The duty to notify in **■ SUP 10A.14.17 R** extends to any circumstances that would normally be declared when giving the information required for section 5 of Form A or matters considered in **■ FIT 2**.

- 10A.14.21** G
- (1) If, in relation to a *firm* which has completed the relevant Form A (■ SUP 10A Annex 4D), any of the details relating to arrangements and *FCA controlled functions* are to change, the *firm* must notify the FCA on Form D (■ SUP 10C Annex 6R).
 - (2) The notification under (1) must be made as soon as reasonably practicable after the *firm* becomes aware of the proposed change.
 - (3) This also applies in relation to an *FCA controlled function* for which an application was made using Form E.
 - (4) This *rule* also applies to a *firm* in respect of an *approved person*, to whom the grandfathering arrangements relating to the coming into force of the *Act* applied as if the *firm* had completed the relevant Form A for that *person*.

10A.14.22 G ■ SUP 10A.16.2 R also applies to the submission of Form D under ■ SUP 10A.14.21 G.

10A.14.23 G An example of where a *firm* should use Form D is when an individual who is appointed by one *appointed representative* becomes employed by another *appointed representative* but continues to perform the *customer function* for the *firm*. The *firm* should notify the FCA by completing Section 1.07 of Form D.

10A.14.24 R [deleted]

10A.14.25 G [deleted]

10A.14.26 R [deleted]

10A



10A.15 References and accurate information

References

- 10A.15.1 **G** (1) ■ SYSC 22 (Regulatory references) says that if a *firm* (A):
- is considering appointing a *person* (P) to perform any *controlled function* or certain other functions;
 - (b) requests a reference from a *firm* (B) that is P's current or former employer; and
 - (c) indicates to B the purpose of the request;
- B should, as soon as reasonably practicable, give a reference to A.
- (2) This applies even if A is a *firm* to which ■ SUP 10C (FCA senior managers regime for approved persons in SMCR firms) applies rather than this chapter.
- (3) [deleted]

10A.15.2 **G** [deleted]

10A.15.3 **G** [deleted]

10A.15.3A **G** [deleted]

The need for complete and accurate information

- 10A.15.4 **G** The obligations to supply information to the *FCA* under either ■ SUP 10A.14.8R or ■ SUP 10A.14.10R apply notwithstanding any agreement (for example a 'COT 3' Agreement settled by the Advisory, Conciliation and Arbitration Service (ACAS)) or any other arrangements entered into by a *firm* and an *employee* upon termination of the *employee's* employment. A *firm* should not enter into any such arrangements or agreements that could conflict with its obligations under this section.
- 10A.15.5 **G** Failing to disclose relevant information to the *FCA* may be a criminal offence under section 398 of the *Act*.

10A



10A.16 How to apply for approval and give notifications

10A.16.1 D

- (1) This direction applies to an application under Form A or Form E.
- (2) Subject to (2A), an application by a *firm* must be made by submitting the Form online at fca.org.uk using the form specified on the FCA's and PRA's online notification and application system.
- (2A) An application by a *firm* whose application for *permission* or whose *Part 4A permission* covers only *credit-related regulated activities* must be made using the form in ■ SUP 10A Annex 4 or ■ SUP 10A Annex 8 and must be submitted in the way set out in ■ SUP 15.7.4 R to ■ SUP 15.7.9 G (Form and method of notification).
- (3) [deleted]
- (4) Where a *firm* is obliged to submit an application online under (2), if the information technology systems used by the FCA fail and online submission is unavailable for 24 hours or more, until such time as facilities for online submission are restored a *firm* must use the form in ■ SUP 10A Annex 4D or ■ SUP 10A Annex 8D and submit it in the way set out in ■ SUP 15.7.4 R to ■ SUP 15.7.9 G (Form and method of notification).
- (5) An application by a *firm* in relation to a *controlled function* to which ■ SUP 10A.1.16BR (*appointed representative of an SMCR firm*) applies must be made in accordance with ■ SUP 10C.15 (Forms and other documents and how to submit them to the FCA) and not this section.

10A.16.2 R

- (1) This *rule* applies to a notification under Form C or Form D.
- (2) A notification must be made in accordance with ■ SUP 10A.16.1 D, except that the annexes in which the forms are to be found are ■ SUP 10C Annex 5R or ■ SUP 10C Annex 6R, rather than the Annexes mentioned in ■ SUP 10A.16.1 D.
- (3) A notification by a *firm* in relation to a *controlled function* to which ■ SUP 10A.1.16BR (*appointed representative of an SMCR firm*) applies must be made in accordance with ■ SUP 10C.15 (Forms and other documents and how to submit them to the FCA) and not this section.

10A.16.2A R

■ SUP 10A.16.2R(3) also applies to Form B in relation to a *controlled function* to which ■ SUP 10A.1.16BR (*appointed representative of an SMCR firm*) applies.

10A.16.3 **G** If the information technology systems used by the *FCA* fail and online submission is unavailable for 24 hours or more, the *FCA* and *PRA* will endeavour to publish a notice on their websites confirming that online submission is unavailable and that the alternative methods of submission set out in ■ SUP 10A.16.1D (4) and ■ SUP 15.7.4 R to ■ SUP 15.7.9 G (Form and method of notification) should be used.

10A.16.4 **G** Where ■ SUP 10A.16.1D (4) or the equivalent situation under ■ SUP 10A.16.2 R applies to a *firm*, ■ GEN 1.3.2 R (Emergency) does not apply.



10A.17 Further questions

- 10A.17.1 **G** A list of frequently asked questions and answers is at ■ SUP 10A Annex 1.
- 10A.17.2 **G** If the *firm* or its advisers have further questions, they should contact the FCA's Contact Centre (see ■ SUP 10A.12.6 G).

Frequently asked questions

| | Question | Answer |
|----|---|---|
| | Type of firm | |
| -1 | Does this chapter apply to all types of <i>firm</i> ? If not, where can I find the equivalent material? | No, SUP 10A does not apply to <i>SMCR firms</i> (broadly speaking, <i>banks, credit unions, building societies, insurance firms</i> and investment firms that are <i>PRA-authorised persons</i>). The requirements for these <i>firms</i> can be found in SUP 10C. However, this chapter does cover <i>approved persons</i> in <i>appointed representatives</i> of such <i>firms</i> . |
| | Requirements of the regime | |
| 1 | Does pre-approval apply to individuals taking up a new <i>FCA controlled function</i> within the same <i>firm</i> ? | Yes. Pre-approval applies in all circumstances (see section 59 of the Act (Approval for particular arrangements)) except under the temporary (12 weeks) provision. See SUP 10A.5.6 R and question 2. |
| 2 | What are the procedures for 'emergency situations'? | Individuals may perform an <i>FCA significant-influence function</i> for up to 12 weeks in any consecutive 12-month period without requiring approval. When it becomes clear that a <i>person</i> will be performing the function on a permanent basis, then an application for approval should be made. However, there is no provision for individuals to perform the <i>customer function</i> on a continuing basis without approval (SUP 10A.5.6 R). |
| 3 | Can a <i>person</i> be approved for more than one <i>FCA controlled function</i> ? | Yes. A <i>firm</i> will need to seek approval in respect of each <i>FCA controlled function</i> a <i>person</i> is to perform. |
| 4 | Do the <i>FCA controlled functions</i> apply to an <i>incoming EEA firm</i> that is providing <i>cross border services</i> into the <i>United Kingdom</i> ? | No. The <i>FCA-approved persons</i> regime does not apply to <i>cross border services</i> (SUP 10A.1.5 R). |
| 5 | May any activity be outsourced by a <i>firm</i> ? | Yes. But if that activity constitutes a <i>regulated activity</i> , the <i>person</i> to whom it is outsourced will itself need permission. |
| 6 | Can an <i>FCA significant-influence function</i> be outsourced? | It is a question of fact in each case as to who is performing an <i>FCA significant-influence function</i> . These functions are mostly described at a high level of responsibility, for example, the <i>director</i> of a <i>company</i> or a <i>partner</i> in a <i>partnership</i> . The <i>persons</i> performing these functions cannot avoid their ultimate responsibility and, therefore, the need for approval. However, some of the <i>FCA significant-influence functions</i> may be performed by a <i>person</i> who is specifically brought in to do the job, for example the |

| | Question | Answer |
|----|---|---|
| 7 | [deleted] | <i>chief executive function</i> (where it is to be performed by a <i>body corporate</i>). |
| 8 | What should a <i>firm</i> do if it is unsure whether an individual needs approval? | The <i>firm</i> should contact the FCA's Customer Contact Centre. See SUP 10A.12.6 G. |
| | Submitting an application | |
| 9 | Who applies for approval? | The <i>firm</i> . See section 60 of the Act (Applications for approval). |
| 10 | What is the role of the <i>FCA candidate</i> in the application process? | Before the <i>firm</i> submits the relevant Form A or Form E, it must verify the information contained in it. As part of this verification, the Form provides for the <i>FCA candidate</i> to confirm the accuracy of the information given by the <i>firm</i> so far as it relates to him. |
| 11 | What checks should a <i>firm</i> make on a <i>FCA candidate</i> before submitting an application for approval from the FCA? | The FCA expects <i>firms</i> to perform due and diligent enquiries into their <i>FCA candidates</i> before they submit an application to the FCA for approval. The FCA's approval process is not a substitute for the checks that a <i>firm</i> should be carrying out on its prospective recruits. It is for the <i>firm</i> to determine what checks are appropriate but, in making its decision, a <i>firm</i> should have regard to the <i>FCA controlled function</i> to which the application relates. <i>Firms'</i> enquiries should include checks to verify relevant qualifications and previous employment. Note also the provisions of EG 6. |
| 12 | Should these checks include a check of criminal records? | It is for senior management to decide what checks should be made. In deciding if it is necessary to carry out a check of criminal records, the <i>firm</i> should consider that the FCA does not routinely carry out these checks during the approval process. By virtue of the <i>rehabilitation exceptions orders</i> , the FCA and the industry also have a right to ask about the spent criminal convictions specified in those Orders, as well as any unspent criminal convictions, in order to assess the suitability of <i>FCA candidates</i> for <i>approved person</i> status (see section 5 of the relevant Form A (Application to perform controlled functions under the approved persons regime)). Note also the provisions of EG 6(Publicity). |
| 13 | What is the "fit and proper" test for approval? | Section 61(1) of the Act (Determination of applications) provides that the FCA may grant an application only if it is satisfied that the <i>FCA candidate</i> is a fit and proper person to perform the relevant function. In determining this question, the Act sets out the matters to which the FCA may have regard (section 61(2)) and the FCA has given guidance on this in <i>FIT</i> . |

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| | Question | Answer |
|----|---|---|
| 14 | If a <i>firm</i> is unsure whether or not something may have an impact upon an individual's fitness and propriety, should it be disclosed? | Yes, always. The deliberate non-disclosure of material facts is taken very seriously by the <i>FCA</i> as it is seen as possible evidence of current dishonesty. Therefore, if in doubt, disclose. |
| 15 | What happens if adverse information comes to light after the application form has been submitted or after the individual has been <i>FCA</i> -approved? | The <i>firm</i> must inform the <i>FCA</i> at the earliest opportunity. See SUP 10A.14.17 R. |
| 16 | Will the <i>FCA</i> consider an application in respect of a <i>FCA candidate</i> who has not yet signed a contract with the <i>firm</i> ? | Yes, as the <i>FCA</i> will consider the arrangement under which the <i>FCA candidate</i> will perform the function. However, the <i>FCA</i> will not consider speculative or provisional applications - such as for the <i>FCA candidates</i> in an election to a mutual society Board. The <i>FCA</i> must be informed immediately of any material changes to the information provided on the application form which arises before the application has been determined. All changes must be communicated to the <i>FCA</i> by the <i>firm</i> making the application (see SUP 15.6.4 R). Failure to notify the <i>FCA</i> may result in a delay in processing or rejection or both. |
| 17 | How can <i>credit unions</i> get a supply of application forms (Forms A to F)? | These can be ordered from the <i>FCA</i> 's Customer Contact Centre. There is no charge for an application form. |
| 18 | Is there a separate fee for making an application for <i>FCA-approved person</i> status? | No. |
| 19 | Must all gaps in previous employment be explained? FCA procedure | Yes. |
| 20 | Does the <i>FCA</i> verify the information provided to it? | Yes, as far as possible, information is verified. |
| 21 | Will the <i>FCA</i> handle information confidentially? | Yes. The <i>FCA</i> is obliged to handle all information confidentially and is subject to the provisions of the Data Protection Act 1998. |
| 22 | How long will the <i>FCA</i> take to process an application for <i>FCA-approved person</i> status? | The length of time taken to process the application will vary as it is dependent upon the application under consideration. The <i>FCA</i> publishes standard response times on its website at www.fca.org.uk setting out how long the application process is expected to take in practice. From time to time, the <i>FCA</i> also publishes its performance against these times. However, if, for example, information is missing from the application, or the information provided gives the <i>FCA</i> cause for concern, or the <i>FCA</i> already has in its possession relevant information which gives rise to concerns, processing time will almost always be longer. In each case, the <i>FCA</i> will notify the <i>firm</i> of any extension to the processing times. |

| | Question | Answer |
|----|---|---|
| 23 | Will the <i>firm</i> and individual be notified if there is a delay in processing the application form? | Yes. The <i>FCA</i> will contact the <i>firm</i> explaining the position and, where appropriate, giving the reasons for delay. It will then be the responsibility of the <i>firm</i> to keep the <i>FCA candidate</i> and any other interested party informed. |
| 24 | How are non-routine cases handled? | Refer to DEPP 2. |
| 25 | Can the <i>FCA</i> apply conditions to an <i>FCA-approved person</i> ? | No. The application can either be granted or refused. The <i>Act</i> provides no equivalent to the limitations or requirements which may be included in <i>permissions</i> . If the application is refused, the <i>firm</i> may re-apply in respect of the same individual but a different <i>FCA controlled function</i> . If it is considering doing this, the <i>firm</i> is encouraged to discuss the matter with the <i>FCA</i> . Where there are reasonable grounds for doing so, the <i>FCA</i> may require a <i>firm</i> to provide information about an <i>FCA-approved person</i> (see section 165 of the <i>Act</i> (Power to require information)). |
| 26 | Will the <i>firm</i> be issued with confirmation of approval? | Yes. The <i>firm</i> will be sent a letter setting out the effective date of approval together with the <i>FCA controlled function</i> for which the individual has been <i>FCA-approved</i> . It will then be the <i>firm's</i> responsibility to inform the individual and any other <i>interested party</i> , for example any <i>appointed representative</i> . |
| | Withdrawing an application | |
| 27 | Can a <i>firm</i> withdraw its application? | Yes, but only with the consent of the <i>FCA candidate</i> . See section 61(5) of the <i>Act</i> (Termination of applications). |
| 28 | What happens if the individual refuses to consent to the withdrawal of the application? | The <i>FCA</i> will consider with all <i>interested parties</i> what to do. If it proposes to refuse the application, it will give a <i>warning notice</i> to all <i>interested parties</i> . See section 62 of the <i>Act</i> (Applications for approval: procedure and right to refer to the Tribunal). |
| 29 | Can the <i>firm</i> withdraw only part of an application ? for instance, in relation to a specific <i>FCA controlled function</i> ? | The <i>FCA</i> will allow the <i>firm</i> to amend its application at any time before determination with the consent of all other <i>interested parties</i> . Whether the amendment will have the effect of amounting to a fresh application will be considered on a case by case basis. |
| | Conduct of FCA-approved persons | |
| 30 | How and when must the <i>firm</i> report to the <i>FCA</i> potentially adverse information about an <i>FCA-approved person's</i> fitness and propriety? | Normally, the <i>firm</i> should report such matters to the <i>FCA</i> on Form D once it is reasonably satisfied as to the information's validity (SUP 10A.14.17 R). (See also, Chapter 11 of the Principle for Businesses sourcebook (<i>PRIN</i>) and Statement of Principle 4 in Chapter 2 of the Statements of Principle and Code of Practice for Approved Persons (<i>APER</i>).) However, if an <i>FCA-approved person</i> is dismissed, is suspended, or resigns while under investigation by the <i>firm</i> , the <i>FCA</i> or another <i>regulatory body</i> , or there are any other matters that might affect the individual's fitness and |

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| Question | Answer |
|--|--|
| 31 For how long are individuals accountable to the FCA after ceasing to be an FCA-approved person? | <p>propriety to perform an <i>FCA controlled function</i>, the <i>firm</i> should inform the FCA (SUP 10A.14.10 R) that it will be submitting a Form C containing adverse information. Full details must then be provided within seven business days, on the Form C (SUP 10A.14.8 R).</p> <p>A <i>person</i> is guilty of misconduct if, while an <i>FCA-approved person</i>, he fails to comply with a <i>Statement of Principle</i> or is knowingly concerned in the contravention by a <i>firm</i> of a requirement in the <i>Act</i> or the <i>Handbook</i> or certain other requirements. But the <i>FCA</i> may not bring proceedings after three years from when it first knew of the misconduct.</p> |

How does the customer function relate to the training and competence requirements?

| Activity | Products/sectors in TC Appendix 1 | FCA controlled function | SUP |
|---|-----------------------------------|----------------------------------|------------|
| Advising or giving personal recommendations (as relevant) | 2-9A 10-11 | <i>customer function</i> (CF 30) | 10A.10.4 R |
| Undertaking an activity | 12-13 | | |
| Giving <i>personal recommendations</i> and dealing | 14 | | |
| Managing investments | | | |

Approved person regime: summary of forms and their use for applications for approval to perform an FCA-controlled function

| Function | Form | Submission |
|--|---|---|
| <i>person about to perform an FCA controlled function if he has never been approved by the FCA or PRA before.</i> | A | Submitted by the <i>firm</i> making the application before activities requiring approval commence. |
| <i>Candidate is to perform an FCA significant-influence function and either has current approval to perform an FCA controlled function that is a significant-influence function, an FCA-designated senior management function or a PRA controlled function, or has had such an approval within the previous six months.</i> | Shortened Form A if conditions met | Submitted by the <i>firm</i> making the application before activities requiring approval commence. |
| <i>Candidate is to perform the customer function and is either an FCA-approved person or a PRA-approved person, or was one within the previous six months.</i> | Shortened Form A if conditions met | Submitted by the <i>firm</i> making the application before activities requiring approval commence. |
| <i>Candidate ceased to be an approved person more than six months ago.</i> | A | Submitted by the <i>firm</i> making the application before activities requiring approval commence. |
| <i>Candidate is seeking to perform a significant-influence function and either:</i> (1) <i>has never had approval from the FCA or PRA to perform an FCA controlled function that is a significant-influence function, an FCA designated senior management function or a PRA controlled function or</i> (2) <i>ceased to have approval from the FCA or PRA to perform such function more than six months ago.</i> | A | Submitted by the <i>firm</i> making the application before activities requiring approval commence. |
| <i>Firm withdrawing an outstanding application to perform an FCA controlled function.</i> | B | Submitted by the <i>firm</i> : signed by all <i>interested parties</i> . |
| <i>Person ceasing to perform an FCA controlled function.</i> | C (unless it should be notified under Form E) | Submitted by the <i>firm</i> within seven <i>business days</i> of <i>approved person</i> ceasing to perform <i>controlled function(s)</i> . |
| <i>If an FCA-approved person's title, name or national insurance number changes, or there is information which may be material to the continuing assessment of an approved person's fitness and propriety.</i> | D | Submitted by <i>firm</i> within seven <i>business days</i> of the <i>firm</i> becoming aware of the matter. |

| Function | Form | Submission |
|---|------|---|
| <i>Person remaining with the same firm but changing FCA controlled functions (excluding where the person is changing from a customer function to a significant-influence function).</i> | E | Submitted by <i>firm</i> to the FCA before changes take place. |
| <i>Person remaining with the same firm but changing from a customer function to an FCA significant-influence function.</i> | A | See examples in this table relating to the use of Form A |
| <i>Person remaining with the same group but giving up a PRA controlled function and taking up an FCA controlled function.</i> | E | Submitted by <i>firm</i> to the FCA before changes take place. |
| <i>Person remaining with the same group but giving up an FCA significant-influence function and taking up a PRA controlled function.</i> | E | Submitted by <i>firm</i> to the PRA before changes take place (see the PRA Handbook). |

[Not used]

[Not used]

Form A: Application to perform controlled functions under the approved persons regime

This annex consists only of one or more forms. Note that there are separate forms for *Solvency II firms*, *large and small non-directive insurers*, *incoming EEA firms*, applicants for a *Part 4A permission* or variation of *permission* that would result in an initial authorisation under *MiFID*, applicants for a *Part 4A permission* that would result in the applicant becoming exempt under article 3 of *MiFID* and other *firms*. *Swiss general insurers* must use the forms for *large non-directive insurers* not the form for *Solvency II firms*. It also includes the scope of responsibilities form which must be included as an attachment to Form A in certain cases. An applicant applying for a *Part 4A permission* or variation of *permission* that would result in an initial authorisation under *MiFID* or in the applicant becoming exempt under article 3 of *MiFID* is only required to use the “Long Form A – UK and Overseas Firms (not Incoming EEA) for MiFID authorisation applications” in relation to members of the *management body* or persons effectively directing its business.

[**Editor's Note:** General notes for completion of Form A are located below the list of forms.]

Form A: Notes for completion for Long Form A – UK and Overseas Firms (not Incoming EEA) for MiFID authorisation applications

Long Form A - UK and Overseas Firms (not Incoming EEA)

Long Form A – UK and Overseas Firms (not Incoming EEA) for MiFID authorisation applications:

Long Form A – UK and Overseas Firms (not Incoming EEA) for MiFID authorisation applications

Short Form A: UK and Overseas Firms (not incoming EEA)

Short Form A: Incoming EEA firms

Long Form A - Incoming EEA only

Long Form A: UK firms (March 2016)

Long Form A for firms which are not Solvency II firms (including large non-directive insurers) or small non-directive insurers

(and are not incoming EEA firms or

Relevant Authorised persons)

Short Form A for firms which are not Solvency II firms (including large non-directive insurers) or small non-directive insurers (and are not incoming EEA firms or

Relevant Authorised persons)

Long Form A for incoming EEA firms

Short Form A for incoming EEA firms

GUIDANCE NOTES: APPLICATION FOR AUTHORISATION

Notes to assist with the completion of the Long and/or Short Form A for both UK and the Overseas, and Incoming EEA firms, when making an application to perform controlled function(s) under the Approved Persons regime including Senior Managers' and Senior Insurance Managers' Regime (Connect or Paper Form)

For *MiFID* authorisations applications please see guidance notes for the applicable *MiFID* Form A at ■ SUP 10A Annex 4D.

Please take time to read these notes carefully. They will help you to fill in the Long and/or Short Form A correctly.

When completing the application forms you will need to refer to:

- the *FCA Handbook*: <https://www.handbook.fca.org.uk>; and
- the *PRA Rulebook*: <http://www.prarulebook.co.uk> .

If after reading these notes you need more help please:

- check our website: www.fca.org.uk;
- consult the *Handbook*: <https://www.handbook.fca.org.uk>;
- call the Customer Contact Centre on 0300 500 0597;
- call the PRA Firm Enquiries: 020 3461 7000;
- email the *FCA* Customer Contact Centre: firm.queries@fca.org.uk; or
- email the *PRA*: PRA.firmenquiries@bankofengland.co.uk

These notes, while aiming to help you, do not replace the rules and guidance in the *FCA Handbook* or the *PRA's Rulebook* and supervisory statements.

Terms in these notes

These notes use the following terms:

- 'you' refers to the candidate for whom the Form A is being completed by the Applicant;
- 'candidate' (paper forms only) refers to the individual for whom the Form A is being completed by the Applicant;
- 'the Applicant' refers to the *firm* applying for authorisation of the candidate;
- 'the *FCA*', 'we', 'us' or 'our' refers to the Financial Conduct Authority;
- 'the *PRA*', refers to the Prudential Regulation Authority; and

- 'FSMA' refers to the Financial Services and Markets Act 2000.

What is the Form A used for?

The Form A is used by a *firm* which seeks the *FCA* and/or *PRA*'s approval under section 59 of the Financial Services and Markets Act 2000 ("FSMA") for a particular individual to perform controlled functions. The Form A is referred to in the Supervision Manual ("*SUP*")

Full details of the Approved Persons regime including, Senior Insurance Managers' (SIMR) regime, the Senior Managers' (SMR) and the application process are given in ■ SUP 10 (■ SUP 10A, ■ SUP 10A Annex 4D, ■ SUP 10C and ■ SUP 10C Annex 2D respectively) of the *FCA Handbook* and the Parts relating to the Senior Managers Regime and Senior Insurance Managers Regime in the *PRA Rulebook*.

There are different versions of Form A for applications under the Senior Managers Regime, the Senior Insurance Managers Regime and for other *firms* - please ensure you are using the correct version.

Applications for corporate candidates must be made using an adapted Form A that will be supplied by the *FCA* and/or *PRA* upon request.

Important information about the Form A

The Form A is of the utmost importance to the *FCA* and/or *PRA* assessment of the fitness and propriety of the candidate.

All information relevant to the application must be provided to the *FCA* and/or *PRA* with the Form A. This applies even if the information is, or is believed to be, already known to the *FCA* and/or *PRA*, as a result of it being in the public domain, or has been previously disclosed to the *FCA* and/or *PRA* or to another regulatory body. In all circumstances, disclosures should be full, frank and unambiguous.

If the *firm* or candidate becomes aware of further information which might be relevant to the application following submission of the Form A, it should provide it to the *FCA* and/or *PRA* immediately. The obligation to provide full, frank and unambiguous information does not stop with the submission of the Form A.

The information supplied by the candidate should be verified by the *firm* wherever possible. If the *FCA* and/or *PRA* vetting checks reveal any matters that have not been disclosed, then applications will be delayed and, in some cases, possibly rejected.

The *firm* is responsible for the accuracy of the data and completion of the Form A. If the Form A is not fully and correctly completed, the *FCA* and/or *PRA* may need to return it for proper completion. This could significantly delay the *FCA* and/or *PRA*'s, decision on whether to grant approval to perform the requested controlled functions.

The *FCA* and/or *PRA* may require the applicant to provide further information at any time after receiving an application and before determining whether approval is to be granted or not. It may direct the format in which this information is provided, for example, in an interview with the candidate.

Key assumptions about the firm and the candidate

The *FCA* and/or *PRA* relies on the information contained in the Form A and makes certain assumptions about the *firm* and the candidate in considering the information contained in the form. It is very important that the candidate and the *firm* are aware of these assumptions:

It is assumed that the candidate is not performing the controlled function applied for. A candidate must not perform any controlled function until the *FCA* and/or *PRA*, has granted approval. If the *firm* permits the candidate to perform controlled functions without *FCA* and/or *PRA* approval it may be in breach of section 59 of FSMA and the candidate may also be in breach of his or her regulatory obligations;

It is assumed that the *firm* and the candidate know and understand the factors which the *FCA* and/or *PRA* takes into account when considering the fitness and propriety of the candidate. These factors are set out in the part of the *Handbook* entitled the Fit and Proper Test for

Approved Persons ("FIT") and in the Fitness and Propriety and in the Insurance – Fitness and Propriety Parts of the *PRA Rulebook*.

It is assumed that the candidate knows and understands the obligations and responsibilities of an approved person. These are set out in the *FCA Handbook* and the *PRA Rulebook* including in the following:

the Statements of Principle and Code of Practice for Approved Persons ("*APER*");

COCON Code of Conduct;

■ SUP 10A *FCA* Approved Persons;

■ SUP 10C *FCA* senior management regime for approved persons in relevant authorised persons; and

in the Parts of the *PRA Rulebook* entitled: Senior Management Functions; Fitness and Propriety; Allocation of Responsibilities and Conduct Rules; and

Insurance – Senior Insurance Management Functions; Insurance – Fitness and Propriety; Insurance – Allocation of Responsibilities; and Insurance – Conduct Standards;

firms should also refer for further information to the *PRA* supervisory statements - SS 28/15 Strengthening individual accountability in banking for deposit takers, and SS 35/15 Strengthening individual accountability in insurance for insurers.

Finally, it is assumed that both the *firm* and the candidate have read and understood these guidance notes in completing the Form A. The responsibility for the accuracy and completeness of the information supplied rests with the candidate and the *firm*. Seeking legal and/or compliance advice about how to complete the Form A will not discharge that responsibility.

Completing a Form A using Connect

If you are using Connect to complete a Form A it will ask you some initial questions to determine the sections you need to complete.

Completing a Paper Form A – Long or Short

The Form A must be completed in black ink and (if in manuscript) in BLOCK LETTERS.

Indicate clearly if a question is not applicable. Select the appropriate box where a yes/no answer is required. Where you answer "yes" you must:

- provide further details in section 6 (Supplementary Information) of the Form A. If there is insufficient space for a detailed answer then you may attach further pages; and
- tick "yes" at the bottom of the relevant page of the Form A to confirm that you have provided additional information.

If you want to attach additional information to the Form A it must be securely attached, for example by stapling it to the Form A and you should state in section 6 (Supplementary Information) the number of additional sheets attached.

There are two types of Form A; a Long Form A and a Short Form A. The key difference is that the Long Form A requires detailed information about the fitness and propriety of the candidate.

- For *firms* subject to the Senior Managers Regime, the circumstances in which each form may be used are detailed in ■ SUP 10C (*FCA* senior management regime for approved persons in relevant authorised persons) of the *FCA Handbook* and the Senior Managers Regime – Applications and Notifications of the *PRA Rulebook*.

- For *firms* subject to the Senior Insurance Managers Regime and the *FCA* approved persons regime for insurers, the circumstances in which each form may be used are detailed in Senior Insurance Managers Regime - Applications and Notifications Parts of the *PRA Rulebook* and ■ SUP 10A *FCA* Approved Persons of the *FCA Handbook*.

- For all other *firms*, the circumstances in which each form may be used are detailed in ■ SUP 10A *FCA* Approved Persons of the *FCA Handbook*.

The Short Form A may be used if any of the following conditions apply:

- an individual who is already an *approved person* is applying to perform an additional *controlled function* under an arrangement with the same *firm*; or
- the candidate has ceased to perform a *controlled function* under an arrangement with *firm A* and now requires approval to perform a *controlled function* under an arrangement with *firm B*. These can be two entirely different *firms* and not just two *firms* in the same group (however, see the exception in the following paragraph; or
- an individual who is already an *approved person* with another *firm*, *firm B*, is applying to perform a *controlled function* for a different *firm*, *firm A* and is already approved for that particular group of functions.

You should submit a curriculum vitae ('CV') with the Short Form A if the candidate's CV has altered from the last time they applied to hold a *controlled function* (i.e. it has changed from the last time the *FCA* and/or *PRA* had sight of the CV).

The CV should be attached securely to the Short Form A by stapling it.

The Long Form A must be completed if:

- the candidate ceased to be an *approved person* more than six months ago;
- the candidate or *approved person* is seeking approval in respect of a significant influence function and has either never had approval from the *FCA* or *PRA* to perform a SIF, SMF or *PRA controlled function* or ceased to have approval to perform that function more than six months ago; or
- there have been any matters arising in relation to the candidate's fitness and propriety which mean that their answers to Section 5 of the Long Form A (Fitness and Propriety) may have changed since they last completed a Form A (i.e. since they last made an application for approval).

For example, such matters could include (but are not limited to), where:

- the candidate has been investigated by the *FCA* and/or *PRA*, by another regulatory body or an authorised *firm*;
- the candidate has had CCJs registered against their name or has entered into a voluntary arrangement with creditors (whether formal or informal);
- the candidate has been convicted of criminal offences; or
- the candidate has been the subject of any civil action.

If you are in any doubt whether a Short Form A is acceptable, please submit a Long Form A and make full disclosure of all issues which could potentially be relevant. A Long Form A is acceptable in all circumstances. Please see ■ SUP 10A Annex 2G and ■ SUP 10C Annex 1G.

Contents

The text in brackets refer to the Paper Form A sections

- Approved Person Application
(Not applicable to paper forms)
- Application Contact Details
(Firm Identification Details – section 2)
- Individual Details

Contents

(Personal identification details – section 1)
 Individual Arrangement
 (Arrangement and controlled functions – section 3)
 Individual Arrangement
 (Arrangement and controlled functions – section 3)
 Employment History
 (Employment history in the past 5 years – section 4)
 (not applicable to Paper Short Form A)
 Fitness & Propriety
 (Fitness and propriety – section 5)
 (not applicable to Paper Short Form A)
 Supporting Documents
 (Supplementary Information – section 6)
 Individual Declaration
 (Declarations and signatures – section 7)

10A

Approved Person Application

This section is for Connect only and determines which sections of the Form are displayed for the applicant to complete.

Approved Person Application

Has the candidate previously been approved by the FCA/PRA?

No additional notes.

If yes, you will be asked to provide your individual reference number, your date of birth, national insurance number and/or passport number and nationality.

Application Contact Details

If you are using the paper forms, this section contains the notes you will need for Section 2 – Firm Identification Details.

Please enter the contact details of the person we will get in touch with about this application.

This should be someone in the UK.

If you feel that a second contact name is useful e.g. if the main contact won't be available for a long period of time, please provide details in the Supporting Documents Section if using Connect, or in Section 6 (Supplementary Information) in the Paper Form A.

Associated Individual

See Question 2.03 in the Paper Form A (these notes are in a different order to the Paper Form A)

Title, First Name(s), Last Name

No additional notes.

Job Title

No additional notes.

Mobile Number

No additional notes.

Email Address

No additional notes.

Address, Country

No additional notes.

Phone Number

No additional notes.

Fax Number

No additional notes.

Individual Details

If you are using the paper forms, this section contains the notes you will need for Section 1 – Personal Identification Details.

If you are using Connect to complete your Form A this section will be prepopulated if previously approved by *FCA/PRA* and the individual reference number has been supplied.

If you are completing a Paper Form A you will find some of this guidance in a slightly different order (see Questions 1.01-1.14).

Details of the Individual

Title, First Names and Last Name

No additional notes.

Personal Identification Details

Commonly used First Names and Last Name

If the candidate is commonly known by a different name other than that which appears on their passport or national insurance card then put this name here. This may include, for example, a shortened version of their full name or where they are known by a middle name or names given as a result of naming conventions whether for religious or other reasons. If the candidate has more than one alternative name, please give all other names known by in the Supporting Documents section on Connect, or the Supplementary Information (Section 6) on the Paper Form A.

Date of Birth

No additional notes.

National Insurance Number

No additional notes.

Passport Number

If the candidate has more than one passport number, please give all passport numbers held and the reasons for this in the Supporting Documents section on Connect, or the Supplementary Information (Section 6) on the Paper Form A.

Nationality

If the candidate has more than one nationality, please give all nationalities held and the reasons for this in the Supporting Documents section on Connect, or the Supplementary Information (Section 6) on the Paper Form A.

Place of Birth

No additional notes.

Previous Names

If the candidate has changed their name (surname or forenames), for example due to marriage, then please enter this previous name. If the candidate has more than one previous name, please provide all details here.

Address Details

Current and Previous Addresses

A full 3 year history for all *United Kingdom* addresses must be given for the candidate. If any gaps are as a result of the candidate being resident outside the *United Kingdom*, please state this and give details of where the candidate resided during this period.

The system will not allow this question to be validated until a full 3 year history has been provided.

Directorships

Has the candidate held any directorships in the last 10 years?

If yes, you will be asked to provide Name of Undertaking, Nature of Business, Country of Incorporation, Date the Directorship ceased.

You can find the meaning of Director in the Glossaries to the *FCA Handbook* and the *PRA Rulebook*.

If you are completing the Paper Form A you will be asked to provide this information in Supplementary Information (section 6).

Individual Arrangements

If you are using the paper forms, this section contains the notes you will need for Section 3 – Arrangement and controlled functions.

Arrangements

State the nature of the arrangement between the candidate and the applicant firm.

If you answer Group Employee, you will be asked the Name of Group.

If you answer Other Arrangement, you will be asked the Reason.

Paper Form A (See Question 3.01)

Please select the box in 3.01 that most accurately describes the arrangement with the candidate.

If the candidate will perform a *controlled function* on behalf of the *firm* for an appointed representative of the *firm* then select the appropriate box at 3.01e or 3.01f and detail the *firm* name and firm reference number. If the candidate proposes to perform *controlled functions* for more than one appointed representative, then the details of each appointed representative, including the *firm* name and firm reference number should be provided in Supplementary Information – section 6.

Apply for Controlled Functions

If you are using the paper forms, this section contains the notes you will need for Section 3 – Arrangement and controlled functions.

Please note this section is different if you are completing a Paper Form A, please see notes on page 13.

You can either search for firm or you can select from firms associated with your user account list.

Search for Firm

No additional notes.

Select from firms associated with your user account

No additional notes.

Select the controlled functions required

For more information on the specification of functions, refer to ■ SUP 10A.4, ■ SUP 10C.1 and (SMR) or the Senior Management Functions or Insurance- Senior Insurance Management Functions parts of the *PRA Rulebook*.

Firm Specific Questions

If you select CF1, CF3, CF5, CF6, CF8 or CF 29 or;

if you select SMF1, SMF2, SMF3, SMF4, SMF5, SMF6, SMF7, SMF16, SMF17, SMF18, SMF19, SMF20, or SMF22 under SMR or;

if you select SIMF1, SIMF2, SIMF4, SIMF5, SIMF7, SIMF19, SIMF21, SIMF22, SIMF23 under SIMR;

you will be asked to select a box if the individual is responsible for insurance distribution.

This is not a *controlled function* in its own right. However, every *firm* that carries on insurance distribution activities must appoint an approved person(s) who will be responsible for insurance distribution activities at the *firm* (as detailed in ■ MIPRU 2.2.

This responsibility must be allocated to a member of the governing body of the *firm* or in certain circumstances, a senior manager (i.e. an individual that is applying for approval as CF1, 3-8 or 29).

Please note that insurance distribution is not applicable to *appointed representatives*.

If you select CF2, the role to be undertaken must be provided.

You must choose one of the available roles in the box provided.

If you select CF28 or CF28 and CF29 you will be asked to select the area of responsibility and the Job Title.

No additional notes.

If you select CF29 you will be asked to enter the Job Title

No additional notes.

Additional Questions

Role Description

No additional notes.

Organisation Chart (showing the candidates upward and downwards reporting)

No additional notes.

Is the candidate a member or chairman of any sub-boards or other committees

No additional notes.

Supporting Documents

Description or document setting out how the competency was assessed (demonstrating competence and suitability mapped to the specific role and its responsibilities)

No additional notes.

Description or copy of the candidates skill's Gap Analysis

No additional notes.

Description or copy of the candidates Learning and Development plan (including the name of the individual responsible for monitoring the candidate's progress against the development points and the time frame for completion).

No additional notes.

Description or copy of candidate's Induction Programme

No additional notes.

SIF/SMR/SIMR

If you select a Significant Influence Function/Senior Management/Senior Insurance Management function and you are a larger firm you will be asked the following three questions:

Please provide full details of why the candidate is competent and capable to carry out the controlled function(s) applied for.

No additional notes.

Please provide full details of why the appointment complements the firm's business strategy, activity and the markets in which it operate (where applicable).

No additional notes.

Please provide full details of the process undertaken in making the appointment including details of any discussions at governing body level (if any).

No additional notes.

Mandatory Documents

If you select a significant influence function (CF1 to CF29) or any of the Senior Management or Senior Insurance Management functions you will be asked to attach a CV.

No additional notes.

Non MiFID Business

If the firm is an EEA authorised firm you will be asked 'Is the application in respect of any non-MiFiD business?'

No additional notes.

Fitness & Propriety

If the candidate has been previously approved by the FCA/PRA then you will be asked 'Has the candidate's fitness & propriety changed?'

If yes, you will be presented with the Fitness and Propriety section and the Employment History section to complete as part of this application.

Effective Date

Effective Date of Change

You should enter the effective date of the controlled function being applied for.

Reason for Past Effective Date

No additional notes.

Paper Form A users

Where the application is for the candidate to perform the controlled function(s) at a single *firm*, the *firm* should answer questions 3.02, 3.03 and 3.04. However, if the application is being made on behalf of a candidate who proposes to perform controlled functions for more than one *firm*, then the final question of section three (3.04 and 3.05 where applicable) must also be answered to describe the controlled functions and the relationships between the candidate and each *firm* for which the candidate proposes to perform the controlled function.

Question 3.02 – Guidance about the particular controlled functions can be found in ■ SUP 10C (for senior management functions) and ■ SUP 10A (for all other controlled functions). For more information on Senior Management Functions and Senior Insurance Management Functions, please refer to SS28/15 and SS35/15, which are published on the PRA website.

Question 3.03 – This box should be left blank in all cases unless there is a reason to delay the commencement of the performance of the controlled functions (subject to approval) until a date which is after the FCA and/or PRA published standard response times, details of which can be found at:

www.fca.org.uk/your-fca ; and/or

www.bankofengland.co.uk/PRA

The FCA and/or PRA will assume that the *firm* wishes an application to be determined as soon as possible unless this box is completed and the reason for the delay set out in section 6 of the Form A.

Please note that the candidate must not perform the controlled function until the FCA and/or PRA approval has been granted. To do so will mean that both the *firm* and the candidate may be in breach of FCA and/or PRA rules and principles.

Question 3.04 - If the candidate seeks approval for a significant influence function, the specific job title of the candidate must be included.

Insurance Distribution

This is not a controlled function in its own right. However, every *firm* that carries on *insurance distribution activities* must appoint an *approved person(s)* who will be responsible for *insurance distribution activities* at the *firm* (■ MIPRU 2.2).

This responsibility must be allocated to a member of the *governing body* of the *firm* or in certain circumstances, a *senior manager* (i.e. an individual that is applying for approval as CF1, 3-8 or 29).

Please note that *insurance distribution* is not applicable to *appointed representatives*.

Where a *firm* has appointed an *appointed representative* to carry on *insurance distribution activities* on its behalf, the person responsible for the *firm's insurance distribution activities* will also be responsible for the *insurance distribution activities* carried on by an *appointed representative*.

Mortgage Credit Directive intermediation activity

The term 'Mortgage Credit Directive (MCD) intermediation activity', as used within this application, is equivalent to the term '*MCD credit intermediation activity*' as defined with the Glossary of the *FCA Handbook*.

This is not a *controlled function* in its own right. However, every *firm* that carries on MCD credit intermediation activities must appoint an *approved person(s)* who will be responsible for MCD credit intermediation activities at the *firm* (see ■ MIPRU 2.2)).

This responsibility must be allocated to a member of the *governing body* of the *firm* or in certain circumstances, a *senior manager* (i.e. an individual that is applying for approval as CF1, 3-8 or 29).

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

Unless the *firm* indicates otherwise, the FCA and/or the PRA assumes that the arrangement given on the application form includes all of the activities that fall within the description of the *controlled function*. This means that a *firm* may alter a candidate's responsibilities within the broad description of a *controlled function* without needing further approval from the FCA and/or the PRA. However, they will be required to record this change on the scope/statement of responsibilities record (where applicable) that is maintained by the *firm* for each individual in a *controlled function*.

Employment History

This section will not be displayed if you have been approved for a function within the last six *months* and your Fitness and Propriety and Employment History has not changed.

If you are using the paper forms, this section contains the notes you will need for Section 4 – Employment history in the past 5 years.

What is the candidate's current employment status?

If you answer Unemployed or in Full time education on Connect or you tick c or d on the Paper Form A then you will be asked the following:-

- Period: From
- Please provide details of the previous employment history

If you answer Employed or Self Employed you will be asked:

- Period: From

- Name of employer
- Nature of business
- Has this employer previously been known by a different name? if yes you will be asked for Previous / other name of employer
- Last known address of employer
- Is/Was the employer regulated by a regulatory body? If yes, you will be asked for Name of regulatory body
- Is/Was the employer an Appointed representative? If yes, you will be asked for: Of which principal firm, the Position held and the Responsibilities?
- Position held
- Responsibilities
- Reason for leaving (if more than one employment)

A full five-year employment history for the candidate must be provided including the current employment at the time of application, with all gaps explained. If the record of employment does not go back five years, all periods of education and unemployment must be indicated. Full details of any periods of self-employment must be included.

Always give the address of the actual place of employment, rather than a central head office.

State the position held by the candidate and a brief explanation of his or her duties. If the candidate's job title included the word "director" but his or her duties did not include those associated with the title of director, as defined in the *Glossary*, this should be indicated.

Fitness and Propriety

This section will not be displayed if you have been approved for certain controlled functions within the last six *months* and your Fitness and Propriety and Employment History has not changed.

If you are using the paper forms, this section contains the notes you will need for Section 5 – Fitness and propriety.

If any disclosures are made in the fitness and propriety section of the application to perform a *controlled function*, full details should be provided in support of the application. This includes disclosures about any previous disciplinary investigation by previous regulators or employers involving the candidate.

We take non-disclosure seriously, especially where there is an apparent attempt to mislead. Non-disclosure will add to the seriousness of the undisclosed issue. If our vetting checks reveal any matters that have not been disclosed, then applications will be subject to investigation and the candidate's suitability to be approved will be called into question. A person who knowingly or recklessly provides information to the *FCA* and/or the *PRA* that is false or misleading may commit a criminal offence, and could face prosecution under section 398 of the *FSMA* (Misleading FCA or PRA: residual cases) regardless of the status of their application.

You should also be aware that, while advice may be sought from a third party (e.g. legal advice), responsibility for the accuracy of information, as well as the disclosure of relevant information, on the form is ultimately the responsibility of the *firm* and the candidate.

Connect

Answer the question by ticking the relevant 'yes' or 'no' box. If the answer to any of the questions is 'yes', you will be prompted to provide more details.

Paper Form A

If you answer 'yes' to any of the questions in this section, you must give complete details in section 6 of the form and attach relevant supporting documentation.

Terms used:

- **Criminal proceedings** – includes any proceedings from the point at which an individual or a *firm* is charged with a criminal offence to the point at which sentence is given.
- **Conviction** – includes any absolute or conditional discharge orders made against the person concerned.
- **Judgement debt** – a court judgment or order requiring a payment of money to be made by the individual or by a *firm* at which the individual previously held a position of influence.
- **Authorisation** – includes any authorisation, licence, registration, approval, notification, membership or relevant permission required to carry on any activity. This need not be an activity regulated by the *FCA* or *PRA* but applies to all activities requiring some kind of authorisation.
- **Position of Influence** – includes acting as a controller, director, senior manager, managing member, designated member, partner company secretary, or otherwise performing a role of similar influence or responsibility.
- **Regulated activities** – includes not only activities regulated by the *FCA* and/or *PRA* under FSMA, but also activities under the *Payment Services Regulations* and *Electronic Money Regulations*. It also includes activities regulated by other regulatory bodies (see definition of regulatory body below).
- **Regulatory body** – For the purposes of this form, a regulatory body includes but is not limited to the following:

a self-regulatory organisation – including Investment Management Regulatory Organisation (*IMRO*), Securities and Futures Agency (*SFA*), Personal Investment Authority (*PIA*), Life Assurance and Unit Trust Regulatory Organisation (*LAUTRO*), Financial Intermediaries, Managers and Brokers Regulatory Association (*FIMBRA*), Association of Futures Brokers and Dealers Limited (*AFBD*), The Securities Association Limited (*TSA*);

a current or former statutory body, including the Financial Conduct Authority (*FCA*), Prudential Regulatory Authority (*PRA*), Financial Services Authority (*FSA*), Office of Fair Trading (*OFT*), Securities and Investments Board (*SIB*), the Society of Lloyd's, the Registry of Friendly Societies, the Friendly Societies Commission, the Building Societies Commission, the Bank of England, HMRC, the Treasury – Insurance Directorate (formerly the *DTI*) and the recognised bodies;

the Serious Organised Crimes Agency (*SOCA*) or the Serious Fraud Organisation (*SFO*) or any police body;

a *designated professional body* (a professional body designated by the Treasury under section 326 of the Financial Services and Markets Act 2000); or the equivalent of any of these regulatory bodies overseas.

It is for *senior management* to decide what checks should be made (subject to the specific provisions further below for *firms* subject to the SMR or SIMR).

Please also note that ■ **FIT 2.1.3G** contains non-exhaustive *guidance* on factors that the *FCA* may take into account on a case-by-case basis or in the case of approval by the *PRA*, see SS28/15 for deposit takers, and SS35/15 for insurers, as appropriate when determining an application for approval and that, in any event, it is FSMA that sets out the threshold that a person must meet in order to be approved to perform a controlled function.

Criminal proceedings

When answering the questions in this section the candidate should include matters whether in the *United Kingdom* or overseas. By virtue of the Rehabilitation of Offenders Act 1974 (Exceptions) Order 1975, if the candidate is subject to the law of England and Wales, the candidate must disclose spent convictions and cautions (other than a protected conviction or caution). By virtue of the Rehabilitation of Offenders Act 1974 (Exclusions and Exceptions) (Scotland) Order 2013 and the Rehabilitation of Offenders (Exceptions) Order (Northern Ireland) 1979, if the candidate is subject to the law of Scotland

or Northern Ireland, spent convictions must be disclosed (other than a protected conviction). For the avoidance of doubt, references to the legislation above are references to the legislation as amended.

Question 5.01.1a on Paper Form A/1.1.1a in electronic version

Have you ever been convicted of any criminal offence (whether spent or not and whether or not in the United Kingdom):

•involving fraud, theft, false accounting, offences, against the administration of public justice (such as perjury, perverting the course of justice and intimidating of witnesses or jurors), serious tax offences or other dishonesty, or

•relating to companies, building societies, industrial and provident societies, credit unions, friendly societies, insurance, banking or other financial services, insolvency, consumer credit or consumer protection, money laundering, market manipulations or insider dealing?

This question requires disclosure of any criminal convictions, whether spent or unspent (other than protected convictions which need not be disclosed when the law in England & Wales applies). These convictions should be disclosed, even if the conviction was overseas. As stated in the form, you should include any conviction of an offence for which the individual received an absolute or conditional discharge. However, only include traffic offences if they resulted in a ban from driving or involved driving without insurance. See also the guidance on <http://www.fca.org.uk/your-fca/documents/disclosing-convictions-in-form-a>.

Question 5.01.1b on Paper Form A/1.1.1b in electronic version

Are you currently the subject of any criminal proceedings, whether in the UK or elsewhere?

No additional notes.

Question 5.01.1c on Paper Form A/1.1.1c in electronic version

Have you ever been given a caution in relation to any criminal offence?

This question requires disclosure of any cautions in relation to any criminal offence, whenever they took place.

Please note the following:

- protected cautions subject to the law of England & Wales do not need to be disclosed;
- spent alternatives to prosecution subject to the law of Scotland do not need to be disclosed; and

Question 5.01.2 on Paper Form A/1.1.2 in electronic version

Have you had any convictions for any offences other than those described in Question 5.01.1(a) to (c) above (excluding traffic offences that did not result in a ban from driving or did not involve driving without insurance)?

No additional notes.

Question 5.01.03 on Paper Form A/1.1.3 in electronic version

Is the candidate the subject of any ongoing criminal investigation?

No additional notes.

Question 5.01.4 on Paper Form A/1.1.4 in electronic version

Have you ever been ordered to produce documents pursuant to any ongoing criminal investigation or been the subject of a search (with or without a warrant) pursuant to any criminal investigation?

In answering this question, you should include all matters even where the candidate was not the subject of the investigation.

Question 5.01.5 on Paper Form A/1.1.5 in electronic version

Has any firm at which you hold or have held a position of influence or ever:

(a)been convicted of any criminal offence?

No additional notes.

(b)been summonsed, charged with or otherwise investigated or prosecuted for any criminal offence?

No additional notes.

(c)been the subject of any criminal proceeding which has not resulted in a conviction?

No additional notes.

(d)been ordered to produce documents in relation to any criminal investigation or been the subject of a search (with or without a warrant) in a relation to any criminal investigation?

Please see the notes at the beginning of this section for the meaning of 'position of influence' in the context of the questions in this form.

You should include all matters arising during the individual's association with that *firm* and for a period of one year after the individuals ceased to be associated with the *firm*. You should include all matters even where the charge, prosecution or investigation has not resulted in a conviction and, in respect of Question 5.01.5(d) , even where the *firm* itself was not the subject of the investigation. However, *firms* are not required to disclose details of any specific individuals who were subject to historic (as opposed to ongoing) criminal investigations, prosecutions, summons or other historic criminal proceedings.

Civil Proceedings

Question 5.02.1 on Paper Form A/1.2.1 in electronic version

Have you ever been the subject of a judgement debt or award against you?

This requires disclosure of any types of civil orders made against the individual which have resulted in an order being made by the court for the individual to make a payment of money. This includes county court judgements and other judgement debts; any such orders should be included even where the individual has paid the money and satisfied the order. A county court judgement is an order issued by a county court saying a person must pay a sum of money.

Question 5.02.2 on Paper Form A/1.2.2 in electronic version

Have you ever been party to any civil proceedings which resulted in any order against you (other than a judgement debt or award referred to in Question 5.02.1 above)? (You should include, for example, injunctions and employment tribunal proceedings.)

This question asks whether the individual has ever been a party to any other kind of civil dispute which did not result in the individual being required to make a payment of money. This could include, for example, an injunction or an award in employment tribunal proceedings.

Question 5.02.3 on Paper Form A/1.2.3 in electronic version

Are you aware of:

(a)Any proceedings that have begun, or anyone's intention to begin proceedings against you, for a CCJ or other judgment debt?

No additional notes.

(b)More than one set of proceedings, or anyone's intention to begin more than one set of proceedings, that may lead to a CCJ or other judgment debt?

No additional notes.

(c)Anybody's intention to claim more than £1,000 of CCJs or judgment debts in total from you?

This question requires disclosure of any civil proceedings that are ongoing (i.e. have been commenced but not yet concluded or have not yet resulted in a judgement debt or county court judgement) or are about to begin that the individual is aware of.

Question 5.02.4 on Paper Form A/1.2.4 in electronic version

Do you have any current judgment debts (including CCJs) made under a court order still outstanding, whether in full or in part?

No additional notes.

Question 5.02.5 on Paper Form A/1.2.5 in electronic version

Have you ever failed to satisfy any judgment debts (including CCJs) made under a court order still outstanding, whether in full or part, within one year of the order being made?

No additional notes.

Question 5.02.6 on Paper Form A/1.2.6 in electronic version

Have you ever:

(a) Filed for your own bankruptcy or had a bankruptcy petition served on you?

This question covers all circumstances in which anyone started bankruptcy proceedings (or, in Scotland, called 'sequestration' of the individual's estate) in relation to the individual. It also includes circumstances where the individual began such proceedings.

(b) Been adjudged bankrupt?

This question covers all circumstances in which anyone started bankruptcy proceedings (or, in Scotland, called 'sequestration' of the individual's estate) in relation to the individual. It also includes circumstances where the individual began such proceedings.

(c) Been the subject of a bankruptcy restrictions order (including an interim bankruptcy restrictions order) or offered a bankruptcy restrictions undertaking?

This question covers all circumstances in which anyone started bankruptcy proceedings (or, in Scotland, called 'sequestration' of the individual's estate) in relation to the individual. It also includes circumstances where the individual began such proceedings.

(d) Made any arrangements with your creditors, for example a deed of arrangement or an individual voluntary arrangement (or in Scotland a trust deed)?

This requires disclosure of any voluntary agreement which the individual has already entered into at any time with anyone to whom they owe money about the payment of a debt. This includes informal arrangements with creditors and the receipt of debt consolidation services. This could include where alternative mortgage arrangements have been made and also more formal arrangements such as an 'individual voluntary arrangement', whether or not these arrangements were entered into after advice from a debt management adviser.

(e) Had assets sequestered?

No additional notes.

(f) Been involved in any proceedings relating to the above matters even if such proceedings did not result in the making of any kind of order against you or result in any kind of agreement with you?

It is irrelevant whether or not any of the matters in Question 5.02.6(a) to (e) actually resulted in the making of an order; they must still be disclosed.

Question 5.02.7 on Paper Form A/1.2.7 in electronic version

Do you, or any undertaking under your management, have any outstanding financial obligations arising from regulated activities, which have been carried out in the past? (whether or not in the UK or overseas)?

This requires disclosure of any other historical financial matters which might impact upon the current financial circumstances of the individual. For example, claims for clawback being made by a former employer should be disclosed here.

Question 5.02.8 on Paper Form A/1.2.8 in electronic version

Have you ever been adjudged by a court or tribunal (whether criminal, civil or administrative) for any fraud, misfeasance, negligence, wrongful trading or other misconduct?

No additional notes.

Question 5.02.9 on Paper Form A/1.2.9 in electronic version

10A

Are you currently:

(a) Party to any civil proceedings? (Including those covered in Question 5.02.7 on Paper Form A.)

No additional notes.

(b) Aware of anybody's intention to begin civil proceedings against you? (You should include any ongoing disputes whether or not such dispute is likely to result in any order against you.)

No additional notes.

Question 5.02.10 on Paper Form A/1.2.10 in electronic version

Has any firm at which you hold or have held a position of influence ever been:

(a) Adjudged by a court civilly liable for any fraud, misfeasance, wrongful trading or other misconduct?

No additional notes.

(b) The subject of a judgement debt or award against the firm? (You should include all CCJs) made against the firm, whether satisfied or not.

No additional notes.

(c) Party to any other civil proceedings which resulted in an order against the firm other than in relation to matters covered in Questions 5.02.10(a) and 5.02.10(b) on Paper Form A?

No additional notes.

Question 5.02.11 on Paper Form A/1.2.11 in electronic version

Is any firm at which you currently hold or have held, within the last 12 months from the date of submission of this form, a position of influence currently:

(a) a party to civil proceedings?

No additional notes.

(b) Aware of anyone's intention to begin civil proceedings against them?

No additional notes.

Question 5.02.12 on Paper Form A/1.2.12 in electronic version

Has any company, partnership, or unincorporated association of which you are or have been a controller, director, senior manager, partner or company secretary, in the United Kingdom or elsewhere, at any time during your involvement, or within one year of such an involvement, been put into liquidation, wound up, ceased trading, had a receiver or administrator appointed or entered into any voluntary arrangement with its creditors?

No additional notes.

Business and Employment Matters

These questions relate to roles the individual has previously performed, whether that role was related to the provision of a regulated activity or not. It should also be noted that these questions are not limited to only those previous roles listed in Employment History section of this form but to matters whenever they occurred at any time. Relevant disclosures are expected, even if the individual was not actually in receipt of a salary.

Question 5.03.1 on Paper Form A/1.3.1 in electronic version

Have you ever been:

(a) Disqualified from acting as a director or similar position (One where the candidate acts in a management capacity or conducts the affairs of any company, partnership or unincorporated association)?

No additional notes.

(b) The subject of any proceedings of a disciplinary nature (whether or not the proceedings resulted in any finding against you)?

This question includes where the proceedings or internal investigations by a current or a previous employer have yet to be concluded.

(c)The subject of any investigation which has led or might lead to disciplinary proceedings?

This question includes where the proceedings or internal investigations by a current or a previous employer have yet to be concluded.

(d)Notified of any potential proceedings of a disciplinary nature against you?

No additional notes.

(e)The subject of an investigation into allegations of misconduct or malpractice in connection with any business activity?

No additional notes.

Note that, full details must be provided if there were any issues that could affect the fitness and propriety of the individual that arose when leaving an employer listed in the Employment History section.

Question 5.03.2 on Paper Form A/1.3.2 in electronic version

Have you ever been refused entry to, or been dismissed, suspended or requested to resign from, any profession, vocation, office or employment, or from any fiduciary office or position of trust whether or not remunerated?

No additional notes.

Question 5.03.3 on Paper Form A/1.3.3 in electronic version

Do you have any material written complaints made against you by your clients or former clients in the last five years which you have accepted, or which are awaiting determination, or have been upheld - by an ombudsman or complaints scheme?

No additional notes.

Regulatory Matters

Please see notes in the bullet list under the heading 'Paper Form A' earlier in this section for a meaning of regulatory body and authorisation.

These questions are not limited to activities regulated by the *FCA* or *PRA* and are not limited to investigations by or matters involving a regulatory or industry body.

Where there is a reference to a regulatory body in the question, this should be interpreted widely and answers should include, for example, activities supervised by overseas financial regulators or other types of regulators such as government or statutory bodies, whether in the *UK* or overseas.

Question 5.04.1 on Paper Form A/1.4.1 in electronic version

In relation to activities regulated by the FCA and/or PRA or any other regulatory body (see under 'Regulatory matters'; above), has:

The candidate, or

Any company, partnership or unincorporated associate of which the candidate is or has been a controller, director, senior manager, partner or company secretary, during the candidate's association with the entity and for a period of three years after the candidate ceased to be associated with it, ever -

(a)Been refused, had revoked, restricted, been suspended from or terminated, any licence, authorisation, registration, notification, membership or any other permission granted by any such body?

No additional notes.

(b)Been criticised, censured, disciplined, suspended, expelled, fined, or been the subject of any other disciplinary or interventional action by any such body?

No additional notes.

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(c)Received a warning (whether public or private) that such disciplinary or interventional action may be taken against the candidate or the firm?

No additional notes.

(d)Been the subject of an investigation by any regulatory body, whether or not such an investigation resulted in a finding against the candidate or the firm?

This includes any type of investigation of which the individual has ever been or is currently the subject (other than a criminal investigation which is dealt with in earlier questions). Be aware that the individual will wish to consider whether they have ever been (or are presently) the subject of any kind of civil investigation. It could also include an investigation by a former UK regulatory body or an investigation by the *FCA* or *PRA*.

(e)Been required or requested to produce documents or any other information to any regulatory body in connection with such an investigation (whether against the firm or otherwise)?

No additional notes.

(f)Been investigated or been involved in an investigation by an inspector appointed under companies or any other legislation, or required to produce documents to the secretary of state, or any other authority, under any such legislation?

No additional notes.

(g)Ceased operating or resigned whilst under investigation by any such body or been required to cease operating or resign by any regulatory body?

No additional notes.

(h)Decided, after making an application for any licence, authorisation, registration, notification, membership or any permission granted by any such body, not to proceed with it?

No additional notes.

(i)Been the subject of any civil action in relation to any regulated activity which has resulted in a finding by a court?

No additional notes.

(j)Provided payment services or distributed or redeemed e-money on behalf of a regulated firm or itself under any contractual agreement where that agreement was terminated by the regulated firm?

No additional notes.

(k)Been convicted of any criminal offence, censured, disciplined, or publicly criticised, by any inquiry, by the Takeover Panel or any governmental or statutory authority or any other regulatory body (other than as indicated in this group of questions)?

No additional notes.

Question 5.04.2 on Paper Form A/1.4.2 in electronic version

In relation to activities regulated by the FCA/PRA or any other regulatory body, have you or any firm at which you hold or have held a position of influence at any time during and within one year of your association with the firm ever:

(a)Been found to have carried on activities for which authorisation or registration by the FCA/PRA or any other regulatory body is required without the requisite authorisation?

(b)Been investigated for the possible carrying on of activities requiring authorisation or registration by the FCA/PRA or any other regulatory body without the requisite authorisation whether or not such investigation resulted in a finding against you?

(c)Been found to have performed a controlled function (or an equivalent function requiring approval by the FCA/PRA or any other regulatory body) without the requisite approval?

(d) Been investigated for the possible performance of a controlled function (or an equivalent function requiring approval by the FCA/PRA or any other regulatory body) without the requisite approval, whether or not such investigation resulted in a finding against you?

(e) Been found to have failed to comply with an obligation under the Electronic Money Regulations 2011 or Payment Services Regulations 2009 to notify the FCA/PRA of the identity of a person acting in a position of influence over its electronic money or payment services business?

(f) Been the subject of disqualification direction under section 59 of the Financial Services Act 1986 or a prohibition order under section 56 of FSMA, or received a warning notice proposing that such a direction or order be made, or received a private warning?

These questions relate to the performance of activities by *firms* or individuals without the appropriate licence or approval etc. These questions require the PSD individual or applicant *firms* to carefully consider what matters might be relevant and, where necessary, to find out the necessary information before submitting the form.

Other Matters

Question 5.05.1 on Paper Form A/1.5.1 in electronic version

Are you, in the role to which the application relates, aware of any business interests, employment obligations, or any other circumstance which may conflict with the performance of the controlled functions for which approval is now being sought/in the respect of your control of the firm/with your role as controller of the applicant firm or your position at the controller?

No additional notes.

Question 5.05.2 on Paper Form A/1.5.2 in electronic version

Does the candidate have, or know of, any:

(a) Qualifying ownership or any other form of substantial influence in the firm or group, or any other companies? If yes, please provide:

(1) Company name and registration number

(2) Nature and scope of the operations

(3) The registered office of the company

(4) Possession in percentage

(b) Close relatives with ownership shares in the firm or group?

(c) Close relatives with any other financial relations in the firm or group?

(d) Any other commitments that may give rise to a conflict of interest?

For Solvency II and large NDF *firms* only. Candidates for CF30 only, are not required to answer this question.

As defined in article 13(21) of the *Solvency II Directive*, qualifying ownership is 'direct or indirect holding in an undertaking which represent 10% or more of the capital or of the voting rights or which makes it possible to exercise a significant influence over the management of that undertaking'.

Question 5.05.2 (or 5.05.3 where applicable) on Paper Form A/1.5.2 (or 1.5.3 where applicable) in electronic version

Are you aware of any other information relevant to this notification that we might reasonably expect you to give?

No additional notes.

Question 5.05.3 (or 5.05.4 where applicable) on Paper Form A/1.5.3 (or 1.5.4 where applicable) in electronic version

Has the firm undertaken a criminal records check in accordance with the requirements of the FCA or PRA?

Please note that a firm is required to request the fullest information that it is lawfully able to obtain about the candidate under Part V of the Police Act 1997 (Certificates of Criminal records, etc.) and related subordinated legislation of the UK or any part of the UK before making the application. (SUP 10C.10.16R in the FCA Handbook and PRA Rulebook: Fitness and Propriety or Insurance – Fitness and Propriety)

No additional notes.

Question 5.05.4 (or 5.05.5 where applicable) on Paper Form A/1.5.4 (or 1.5.5 where applicable) in electronic version

Has/Have a reference or references been obtained from previous employer(s) in accordance with the requirements of the FCA or PRA?

If No, please provide details why the reference or references has/have not been obtained.

Please see PS16/22 'Strengthening accountability in banking and insurance: regulatory references final rules' for further guidance at <https://www.fca.org.uk/sites/default/files/ps16-22.pdf>.

Supporting Documents

If you are using the paper forms, this section contains the notes you will need for Section 6 – Supplementary information.

If you are completing a Paper Form A please refer to 'Supplementary Information (Paper Form A)' below Documents (Connect)

Please include any other documents you want to provide

This section provides the opportunity for any additional documents to be included.

For more information on the factors which the FCA and/or PRA may take into account when considering application, please refer to FIT in the FCA Handbook and/or SS28/15 for deposit takers, and SS35/15 for insurers, as appropriate (published on the PRA website).

Other Information (Connect)

If there is anything else the applicant would like to tell us about this application please give details below

This section provides the opportunity for any additional information to be included.

For more information on the factors which the FCA and/or PRA may take into account when considering application, please refer to FIT in the FCA Handbook and/or SS28/15 for deposit takers, and SS35/15 for insurers, as appropriate (published on the PRA website) .

Supplementary Information (Paper Form A)

This section provides space for additional information. It should be used to disclose additional information about "yes" answers in section 5 of the full Form A and any information which is not the subject of a specific question in section 5, but might be relevant to the consideration of fitness and propriety, including in relation to the reasons for leaving the firms listed in section 4. For more information on the factors which the FCA and/or PRA may take into account when considering applications, please refer to FIT in the FCA Handbook and/or SS28/15 for deposit takers and SS35/15 for insurers, as appropriate (published on the PRA website) .

List here all directorships currently held or previously held in the past ten years by the candidate.

Supporting documentation must also be provided, such as evidence of the settlements of CCJs.

Individual Declaration

If you are using the paper forms, this section contains the notes you will need for Section 7 – Declarations and signatures.

It is a criminal offence under section 398 of FSMA to knowingly or recklessly provide the FCA and/or PRA with false or misleading information.

If you are completing a Paper Form A please refer to 'Declarations and Signatures (Paper forms)' below

Declaration and Signatures (Connect)

This section must be completed by the sole trader responsible for making the application.

The signature boxes are for you to use when you print out the application for your records.

A permanent copy of the application should be signed by the individual and the applicant and be retained for an appropriate period of time, for inspection at the *FCA's/PRA's* request.

Declarations and Signatures (Paper Forms)

This section contains declarations which must be signed by both an appropriate individual for the *firm* or applicant submitting the application and the candidate. Signatures **MUST NOT** be dated more than three months prior to the date of submission of the application. The *FCA* and/or *PRA* considers that an appropriate individual would either be an individual approved [to perform a SIF, SMF or a *PRA controlled function*] or someone to whom the *firm* has delegated the authority to notify the *FCA* and/or *PRA*. The candidate should not sign the declaration on behalf of the *firm* unless they are a sole trader or the sole director in a limited company. If this authority has been delegated, the *firm* should keep records of those individuals authorised to sign on behalf of the *firm*. All signatures submitted on forms should be originals.

It is a criminal offence under section 398 of the to FSMA knowingly or recklessly provide the *FCA* and/or *PRA* with false or misleading information.

Incoming EEA firms undertaking non-*MiFID* business must confirm by using the tick box that the candidate is competent to perform the controlled function(s) for which this application is made.

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Form B: Notice to withdraw an application to perform controlled functions (including senior management functions) [deleted]

Form C: Notice of ceasing to perform controlled functions (including senior management functions) [deleted]

Form D: Notification of changes in personal information or application details and conduct breaches/disciplinary action related to conduct [deleted]

Form E: Internal transfer of an approved person

This annex consists only of one or more forms. Note that there are separate forms for *Solvency II firms*, *large* and *small non-directive insurers* and other *firms*. *Swiss general insurers* must use the form for *large non-directive insurers* not the form for *Solvency II firms*. It also includes the scope of responsibilities form which must be included as an attachment to Form E in certain cases. Forms are to be found through the following address: *Supervision forms* - SUP 10A Annex 8

Scope of responsibilities form can be found at ■ SUP 10A Annex 4D.

Form E for firms which are not Solvency II firms (including large non-directive insurers) or small non-directive insurers (and are not Relevant Authorised persons):

Form E for firms which are not Solvency II firms (including large non-directive insurers) or small non-directive insurers

GUIDANCE NOTES: INTERNAL TRANSFER OF AN APPROVED PERSON

PLEASE NOTE: A *CANDIDATE* MUST NOT BEGIN PERFORMING ANY *CONTROLLED FUNCTIONS* UNTIL THE *FCA* AND/OR *PRA* HAS GRANTED APPROVAL.

Full details of the *approved persons* regime including the Senior Managers Regime and the Senior Insurance Managers Regime can be found in ■ SUP 10A and ■ SUP 10C of the *FCA Handbook* and the Parts relating to the Senior Managers Regime and Senior Insurance Managers Regime in the *PRA Rulebook* (these include the Insurance – Senior Insurance Management Functions, Insurance – Fitness and Propriety, Insurance – Allocation of Responsibilities and Insurance – Conduct Standards parts of the *PRA Rulebook*). *Firms* should also refer for further information to the *PRA* supervisory statements - SS 28/15 for deposit takers, and SS 35/15 for insurers.

The purpose of this Form

This is Form E referred to in:

- ■ SUP 10A and ■ SUP 10C in the *FCA Handbook*;
- the Senior Managers Regime – Applications and Notifications Part of the *PRA Rulebook*; and
- the relevant “Senior Insurance Managers Regime – Applications and Notifications” Parts in the “Solvency II firms” and “Non-Solvency II Firms” sectors of the *PRA Rulebook*.

A *firm* should use Form E when an *approved person* ceases to perform one or more *controlled functions* and the *firm* wishes to apply for approval for the individual in respect of other *controlled functions*. Form E should not be used for a qualified withdrawal (see ■ SUP 10A.14.10R and ■ SUP 10C.14.7R in the *FCA Handbook*, Chapter 5 of Senior Management Regime – Applications and Notifications and Chapter 4.2 of Solvency II firms: Senior Insurance Managers Regime – Applications and Notifications in the *PRA Rulebook*). Form E may also be used for transfers between *firms* that are part of the same *group*:

Form E should not be used in the circumstances set out in ■ SUP 10A.14.4D(2)-(3) or ■ SUP 10C.10.9D(2)-(4) of the *FCA Handbook*; or Senior Managers Regime – Applications and Notifications 2.4 & 2.5 or Senior Insurance Managers Regime - Applications and Notifications 2.4 & 2.5 of the *PRA Rulebook*.

Form C must be used if the individual is ceasing to perform a *controlled function* and the *firm* is not seeking approval in respect of another *controlled function*.

Form A must be completed in full if the *approved person* is seeking approval in respect of a *controlled function* including a *senior management function* or senior insurance management function for the first time.

Completing this Form

If in manuscript, Form E must be completed in black ink and in BLOCK LETTERS.

All dates should be provided in numeric form (e.g. 29/02/2000 for 29 February 2000).

Indicate clearly if a question is not applicable. Tick the appropriate box where a yes/no answer is required. Further details should be given in section 5 (Supplementary Information) if there is insufficient space for a detailed answer.

Additional information can be attached to the Form. It must be securely attached to the rest of the Form and you must indicate at question 5.02 the number of additional sheets attached.

Do not assume that information is known to the *FCA* and/or *PRA* merely because it is in the public domain, or has been previously disclosed to the *FCA* and/or *PRA* or to another regulatory body. In all circumstances, disclosures should be full, frank and unambiguous. The information supplied by the *candidate* should be verified by the *firm* wherever possible. Should the *FCA* and/or *PRA* vetting checks reveal any matters that have not been disclosed, then applications will be delayed and, in some cases, possibly rejected. See ■ SUP 10A.13.12G and ■ SUP 10C.10.30G of the *FCA Handbook*.

Expressions in Form E in italics have the meaning given in the *Glossary* to the *FCA Handbook* (or, if no meaning is given there, the expressions are to be interpreted in accordance with the related expression defined in the *Glossary*).

The *firm* is responsible for the completion of Form E. If Form E is not fully and correctly completed, the *FCA* and/or *PRA* may need to return it for proper completion. This could significantly delay the *FCA* and/or *PRA*'s decision on whether to grant approval to perform the requested *controlled functions* (see ■ SUP 10A.13.12G and ■ SUP 10C.10.30G of the *FCA Handbook*).

The *FCA* and/or *PRA* may require the applicant to provide further information at any time after receiving an application and before determining whether it is to be granted or not (see ■ SUP 10A.13.14G, SUP 10B.11.13G and ■ SUP 10C.10.28G in the *FCA Handbook*).

If a *firm* has provided, or has information that reasonably suggests that it may have provided, the *FCA* and/or *PRA* with information which was or has become false, misleading, incomplete or inaccurate, in a material particular, it must notify the *FCA* and/or *PRA* immediately (see ■ SUP 15.6.4R in the *FCA Handbook*, Notification 6 in the *PRA Rulebook* and the equivalent Parts in the "Solvency II firms" and "Non-Solvency II Firms" sectors of the *PRA Rulebook*). Failure to notify the *FCA* and/or *PRA* may result in a delay in processing or rejection.

SECTION 4 – ARRANGEMENTS AND CONTROLLED FUNCTIONS

The *firm* must tick the box in 4.01 that most accurately describes its *arrangement* with the *candidate*. For applications from a single *firm*, the *firm* should complete 4.02, 4.03 & 4.04 indicating the *controlled functions* required by selecting the appropriate box in 4.02. However, if the application is being made on behalf of a candidate who will carry out *controlled functions* for more than one *firm*, 4.05 must be used to describe the *controlled functions* and the relationships between the *candidate* and those *firms*. For *senior management functions*, *firms* should use 4.04 in the relevant Form E.

4.01 If this application relates to more than one *appointed representative*, provide details in section 5.

4.02 If the *controlled function* 28 or 29 is requested, the specific job title of the candidate should be included.

4.03 The effective date is the date on which the *firm* wishes the *candidate* to begin performing *controlled functions* (subject to approval). This should be left blank unless there is a reason for the effective date to be beyond the *FCA* and/or *PRA* published standard response times. For instance, a *firm* may wish to be sure that a candidate has been approved before they take up their post.

4.04 Insurance distribution

This is not a *controlled function* in its own right. However, every *firm* that carries on *insurance distribution activities* must appoint an *approved person(s)* who will be responsible for *insurance distribution activities* at the *firm* (as detailed at ■ MIPRU 2.2).

This responsibility must be allocated to a member of the *governing body* of the *firm* or in certain circumstances, a *senior manager*. (i.e. an individual that is applying for approval as CF1, 3-8 or 29).

Where a *firm* has appointed an *appointed representative* to carry on *insurance distribution activities* on its behalf, the *person* responsible for the *firm's insurance distribution activities* will also be responsible for the *insurance distribution activities* carried on by an *appointed representative*.

Unless the *firm* indicates otherwise, the *FCA* and/or *PRA* assumes that the *arrangement* given on the application form includes all of the activities that fall within the description of the *controlled function*. This means that a *firm* may alter a *candidate's* responsibilities within the broad description of a *controlled function* without needing further approval from the *FCA* and/or *PRA*. However, they will be required to record this change on the scope/statement of responsibilities record (where applicable) that is maintained by the *firm* for each individual performing a *controlled function*.

SECTION 5 – SUPPLEMENTARY INFORMATION

This section provides extra space for any previous answer and for additional information relevant to this application.

The *firm* must include details of any other matter which the *firm* is aware of and which in its reasonable opinion is relevant in connection with the *approved person* ceasing to perform their *controlled function*. If there is insufficient space, additional sheets may be used.

SECTION 6 – DECLARATIONS AND SIGNATURES

This section contains declarations which must be signed by both an appropriate individual for the *firm* or applicant submitting the application and the *candidate*. The *FCA* and/or *PRA* considers that an appropriate individual would either be an individual approved [to perform a SIF, SMF or a *PRA* controlled function] or someone to whom the *firm* has delegated the authority to notify the *FCA* and/or *PRA*. If this authority has been delegated, the *firm* should keep records of those individuals authorised to sign on behalf of the *firm*.

N.B. Please keep these notes before returning the completed Form to the *FCA* and/or *PRA*.

If you have any questions or need additional information, please contact the *FCA* Customer Contact Centre on 0300 500 0597 or *PRA* Firm Enquiries on 020 3461 7000 or e-mail iva@fca.org.uk or PRA.firmenquiries@bankofengland.co.uk.

PLEASE RETURN THE COMPLETED FORM TO:

Financial Conduct Authority
12 Endeavour Square
London, E20 1JN

Prudential Regulation Authority
20 Moorgate
London

United Kingdom

EC2R 6DA

United Kingdom

10A

Form G: The Retail Investment Adviser Complaints Alerts Form

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MiFID Article 4 APER Information Form

MiFID Article 4 APER Information Form

