

## Chapter 12

# Appointed representatives



## 12.1 Application and purpose

### General application

12.1.1 **R**

- (1) This chapter applies to a *firm* which is considering appointing, has decided to appoint or has appointed an *appointed representative*.
- (1A) This chapter applies to a *MiFID investment firm* which is considering appointing, has decided to appoint or has appointed an *FCA registered tied agent*.
- (1B) This chapter applies to a *CBTL firm* other than a *CBTL lender* which is considering appointing, has decided to appoint or has appointed an *appointed representative* in relation to *CBTL business* as it does to a *firm*.
- (2) [deleted]
- (3) [deleted]

### Territorial application: compatibility with EU law

12.1.1A **R**

- (1) [deleted]
- (2) [deleted]

12.1.1B **G**

[deleted]

12.1.1C **G**

[deleted]

### Interaction of SUP 12 and other modules in relation to MiFID business

12.1.1D **G**

In addition to those rules in **SUP 12** relating to the *MiFID business of appointed representatives and tied agents*, there are other obligations derived from *MiFID* in the *Handbook* relevant to the knowledge and competence of *tied agents* and related compliance obligations (see **SYSC 5.1, TC and FIT** (in respect of *appointed representatives that are approved persons*)). These provisions are subject to the territorial application requirements in their respective chapters.

**Purpose**

- 12.1.2 **G** This chapter gives *guidance* to a *firm*, which is considering appointing an *appointed representative*, on how the provisions of section 39 of the *Act* (Exemption of appointed representatives) work. For example, it gives *guidance* on the conditions that must be satisfied for a *person* to be appointed as an *appointed representative*. It also gives *guidance* to a *firm* on the implications, for the *firm* itself, of appointing an *appointed representative*.
- 12.1.3 **G** The chapter also sets out the *FCA's rules*, and *guidance* on these *rules*, that apply to a *firm* before it appoints, when it appoints and when it has appointed an *appointed representative*. The main purpose of these *rules* is to place responsibility on a *firm* for seeking to ensure that:
- (1) its *appointed representatives* are fit and proper to deal with *clients* in its name; and
  - (2) *clients* dealing with its *appointed representatives* are afforded the same level of protection as if they had dealt with the *firm* itself.
- 12.1.4 **G** The *FCA's* website includes information about becoming and appointing an *appointed representative*. This information can be found at <https://www.fca.org.uk/firms/appointed-representatives-principals>.
- 12.1.5 **G** This chapter also sets out:
- (1) *guidance* about section 39A of the *Act*, which is relevant to a *MiFID investment firm* that is considering appointing an *FCA registered tied agent*; and
  - (2) the *FCA's rules*, and *guidance* on those *rules*, in relation to the appointment of:
    - (a) an *FCA registered tied agent* by a *MiFID investment firm*;
    - (b) a *MiFID optional exemption appointed representative*; and
    - (c) a *structured deposit appointed representative*.