

Chapter 2

Senior management arrangements

2.1 Apportionment of Responsibilities

2.1.1	R	A <i>firm</i> must take reasonable care to maintain a clear and appropriate apportionment of significant responsibilities among its <i>directors</i> and <i>senior managers</i> in such a way that: (1) it is clear who has which of those responsibilities; and (2) the business and affairs of the <i>firm</i> can be adequately monitored and controlled by the <i>directors</i> , relevant <i>senior managers</i> and <i>governing body</i> of the <i>firm</i> .
2.1.1A	G	<i>Firms</i> should also consider the additional <i>guidance</i> on risk-centric governance arrangements for effective risk management contained in ■ SYSC 21.
2.1.2	G	The role undertaken by a <i>non-executive director</i> will vary from one <i>firm</i> to another. For example, the role of a <i>non-executive director</i> in a <i>friendly society</i> may be more extensive than in other <i>firms</i> . Where a <i>non-executive director</i> is an <i>approved person</i> , for example where the <i>firm</i> is a <i>body corporate</i> , his responsibility and therefore liability will be limited by the role that he undertakes.
2.1.3	R	[deleted]
2.1.3A	R	[deleted]
2.1.3B	G	[deleted]
2.1.3C	R	[deleted]
2.1.3D	G	[deleted]
2.1.4	R	[deleted]
2.1.5	G	[deleted]
2.1.6	G	[deleted]

2.1.6A

R

Insurance distribution activities

A firm carrying on *insurance distribution activities* must allocate to a *senior manager* the function of ensuring the proper implementation of the policies and procedures approved in accordance with ■ SYSC 3.1.11R.

[Note: second paragraph of article 10(8) of the *IDD*]