Powers exercised

A. The Financial Conduct Authority (“the FCA”) makes this instrument in the exercise of the powers and related provisions in or under the following sections of the Financial Services and Markets Act 2000 (“the Act”):

(1) section 137A (The FCA’s general rules);
(2) section 137T (General supplementary powers); and
(3) section 139A (Power of the FCA to give guidance).

B. The rule-making powers listed above are specified for the purpose of section 138G (Rule-making instruments) of the Act.

Commencement

C. Part 1 of Annex B of this instrument comes into force on 29 July 2022.

D. Part 2 of Annex B of this instrument comes into force on 4 August 2022.

E. All other parts of this instrument come into force on 8 December 2022.

Amendments to the Handbook

F. The Glossary of definitions is amended in accordance with Annex A to this instrument.

G. The Supervision manual (SUP) is amended in accordance with Annex B to this instrument.

Notes

H. In the annexes to this instrument, the “notes” (indicated by “Note:” or “Editor’s note:”) are included for the convenience of readers but do not form part of the legislative text.

Citation

I. This instrument may be cited as the Appointed Representatives Instrument 2022.

By order of the Board
15 July 2022
Annex A

Amendments to the Glossary of definitions

In this Annex, underlining indicates new text and striking through indicates deleted text, unless otherwise stated.

Insert the following new definition in the appropriate alphabetical position. This text is not underlined.

regulatory host a firm:

(1) that offers or provides a service:

(a) by which unauthorised persons, whether or not in the same group as the firm, may become appointed representatives of the firm;

(b) for remuneration with a view to profit; and

(2) to which either (a) or (b) applies:

(a) the firm does not carry on any regulated activities other than through its appointed representatives; or

(b) the regulated activities carried on by one or more of the appointed representatives of the firm are not connected to any regulated activity undertaken by the firm other than through its appointed representatives.

Amend the following definition as shown.

Complaint …

(2) (in DISP, except DISP 1.1 and (in relation to collective portfolio management) in the consumer awareness rules, the complaints handling rules and the complaints record rule, and in CREDS 9 and in SUP 12) any oral or written expression of dissatisfaction, whether justified or not, from, or on behalf of, a person about the provision of, or failure to provide, a financial service, claims management service or a redress determination, which:

(a) alleges that the complainant has suffered (or may suffer) financial loss, material distress or material inconvenience; and

(b) relates to an activity of that respondent, or of any other respondent with whom that respondent has some connection in marketing or providing financial
services or products or claims management services, which comes under the jurisdiction of the Financial Ombudsman Service.
Annex B

Amendments to the Supervision manual (SUP)

In this Annex, underlining indicates new text and striking through indicates deleted text, unless otherwise stated.

Part 1: Comes into force on 29 July 2022

Insert the following new question in SUP 12 Annex 3R (Add an appointed representative or tied agent form) in the appropriate numerical position. The text is not underlined.

15A Will the appointed representative undertake funeral plan distribution? † §

Part 2: Comes into force on 4 August 2022

Insert the following new question in SUP 12 Annex 4R (Appointed representative or tied agent – change details form) in the appropriate numerical position. The text is not underlined.

13C Does the appointed representative undertake funeral plan distribution? † §

Do you wish to change this? If ‘Yes’, please provide details below: †

Part 3: Comes into force on 8 December 2022

2 Information gathering by the FCA or PRA on its own initiative

2.1 Application and purpose

Application

…

2.1.2A CBTL firms are subject to a duty to deal with the FCA in an open and cooperative manner under article 18(1)(d) of the MCD Order. SUP 2.3 applies to CBTL firms in relation to complying with that duty as though:

…

(5) a reference to SUP 12.5.3G were a reference to SUP 12.5.3AG SUP 12.5.13G;

…
12 Appointed representatives

12.1 Application and purpose

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

12.1.1D G ... Territorial application: Gibraltar

This chapter applies to a Gibraltar-based firm which is considering appointing, has decided to appoint or has appointed an appointed representative in accordance with the general application of this chapter.

12.2 Introduction

Business for which an appointed representative is exempt

12.2.7 G (1) The Appointed Representatives Regulations are made by the Treasury under sections 39(1), (1C) and (1E) of the Act. These regulations describe, among other things, the business for which an appointed representative may be exempt or to which sections 20(1) and (1A) and 23(1A) of the Act may not apply, which is business which comprises any of:

... (k) agreeing to carry on a regulated activity (article 64 of the Regulated Activities Order) where the regulated activity is one of those in (a) to (h) or (ja) or (jb) specified in Regulation 2(1)(d) of the Appointed Representatives Regulations; and

... (2) If the appointed representative is also a tied agent, the business for which the appointed representative may be exempt includes the following additional activities:

(a) placing financial instruments or structured deposits;

(b) providing advice to clients or potential clients in relation to the placing of financial instruments or structured deposits.
What is an introducer appointed representative?

12.2.8 G …

(2) The permitted scope of appointment of an *introducer appointed representative* does not include in particular:

…

(d) advising on investments, giving *basic advice* on a stakeholder product, advising on a home finance transaction, advising on regulated credit agreements for the acquisition of land, or other activity that might reasonably lead a *customer* to believe that he they had received, *basic advice* or *advice* on investments or on home finance transactions or that the *introducer appointed representative* is permitted to give *basic advice* or *give personal recommendations* on investments or on home finance transactions provide, one of those services.

…

12.2.10 G All *rules* in *SUP 12* apply in relation to *introducer appointed representatives* except for:

(1) *SUP 12.4.2R, SUP 12.4.5BR and SUP 12.4.5C*, on the appointment of *appointed representatives*, which are replaced by *SUP 12.4.6R*;

(2) *SUP 12.5.6AR on required contract terms*, which is replaced by *SUP 12.5.7R*; and

(2A) *SUP 12.6A.2R to SUP 12.6A.4R*; and

(3) *SUP 12.9.1R(4) (Record keeping).*

…

12.4 What must a firm do when it appoints an appointed representative or an FCA registered tied agent?

…

Appointment of an appointed representative (other than an introducer appointed representative)

12.4.2 R Before a *firm* appoints a *person* as an *appointed representative* (other than an *introducer appointed representative*) and on a continuing basis, it must establish on reasonable grounds that:

…
(3) the firm has adequate:

... 

(b) resources to monitor and enforce compliance by the person with the relevant requirements applying to the regulated activities for which the firm is responsible and with which the person is required to comply under its contract with the firm (see SUP 12.5.3G(2)); and

(4) the firm is ready and organised to comply with the other applicable requirements contained or referred to in this chapter; and

(5) the person’s activities do not, or would not, result in undue risk of harm to consumers or market integrity.

12.4.2A R (1) A firm must ensure that: [deleted] [Editor’s note: This provision now appears at SUP 12.4.4HR.]

(a) a tied agent that is an appointed representative; or

(b) a MiFID optional exemption appointed representative; or

(c) a structured deposit appointed representative.

is of sufficiently good repute and that it possesses appropriate general, commercial and professional knowledge and competence so as to be able to communicate accurately all relevant information regarding the proposed service to the client or potential client. This does not limit a firm’s obligations under SUP 12.4.2R.

(2) A firm must ensure that its tied agent or MiFID optional exemption appointed representative also possesses appropriate general, commercial and professional knowledge and competence so as to be able to deliver the investment service or ancillary service for which the firm has accepted responsibility.

[Note: paragraphs 2 and 3 of article 29(3) of MiFID]

12.4.2B G (1) A firm to which SUP 12.4.2AR applies should also have regard to SYSC 5.1 (Skills, knowledge and expertise). The requirements of the Training and Competence sourcebook (TC) and guidance in the Fit and Proper Test for Employees and Senior Personnel (FIT) may also be relevant. [deleted] [Editor’s note: This provision now appears at SUP 12.4.4IG.]

(2) ESMA has issued guidelines for MiFID investment firms specifying the criteria for the assessment of knowledge and competence. These guidelines are relevant to tied agents (see SYSC 5.1.5ADG).

Guidance on the appointment of an appointed representative
12.4.2C  G  SUP 12.4.2R applies before a firm appoints a person as an appointed representative and on a continuing basis thereafter. References in this guidance to an appointed representative should therefore be read as also referring to a prospective appointed representative where appropriate.

12.4.3  G  In assessing, under SUP 12.4.2R(2)(a) and (b), whether an appointed representative or prospective appointed representative is solvent and otherwise suitable, a firm should determine, among other matters, whether the person is likely to be adversely influenced by its financial position in the conduct of the business for which the firm is responsible. This might arise, for example, if the person has cashflow problems and is not able to service its debts. Guidance for firms on assessing the financial position of an appointed representative or prospective appointed representative is given in SUP 12 Annex 1.

12.4.4  G  In assessing, under SUP 12.4.2R(2)(b), whether an appointed representative or prospective appointed representative is otherwise suitable to act for the firm in that capacity, a firm should consider:

(1) whether the person is fit and proper; guidance on the information that firms should take reasonable steps to obtain and verify is given in SUP 12 Annex 2; and

(2) the fitness and propriety (including good character and competence) and financial standing of the controllers, directors, partners, proprietors and managers of the person; firms seeking guidance on the information which they should take reasonable steps to obtain and verify should refer to FIT and the questions in the relevant Form A (Application to perform controlled functions under the approved person regime) in SUP 10A Annex 4; and

(3) the competence and capabilities of relevant directors, partners, proprietors and managers of the person, including whether they have:

   (a) appropriate experience, knowledge, skills and training in relation to the activities and business carried out, or to be carried out, on behalf of the firm; and

   (b) the necessary time to properly perform the tasks and functions for which they are, or will be, responsible.

12.4.4A  G  In considering the competence and capabilities of relevant individuals, firms should note that other provisions, including SYSC 3.1 (Systems and controls) and SYSC 5.1 (Skills, knowledge and expertise), the requirements of the Training and Competence sourcebook (TC) and guidance in the Fit and Proper test for Employees and Senior Personnel sourcebook (FIT) may also be relevant. See also SUP 12.6.10G.

12.4.4B  G  In assessing whether the firm has adequate controls and resources for the purposes of SUP 12.4.2R(3)(a) and (b), a firm should consider whether these:
are commensurate to:

(a) the size or potential size of the appointed representative; and

(b) the nature of the regulated activities for which the firm has, or proposes to have, responsibility;

(2) enable the firm to effectively manage conflicts of interest;

(3) allow the firm to maintain effective oversight of the appointed representative;

(4) enable the firm to identify and remediate any issues arising at the appointed representative; and

(5) enable the firm to maintain a level of oversight of the appointed representative’s regulated activities equivalent to that which would be, and ought reasonably to be, applied if:

(a) those activities were carried on by the firm in a principal capacity; and

(b) all individuals engaged in those activities were employees of the firm.

(1) In assessing, under SUP 12.4.2R(5), whether an appointed representative’s activities or proposed activities give rise to an undue risk of harm, a firm should consider, without limitation:

(1) the nature of the risks associated with the person’s appointment and activities or proposed activities having regard to, amongst other things, the person’s:

(a) business model;

(b) (as applicable) senior management and governance arrangements;

(2) the likely impact on clients or potential clients were a relevant risk to crystallise having regard to, amongst other things:

(a) the number of clients with which the person is, or is likely be, dealing;

(b) whether the clients or potential clients with which the person is, or is likely to be, dealing include those in vulnerable circumstances who may be at greater risk of harm if things go wrong:
(c) the likely extent of any financial loss that clients may suffer;

(3) the likely impact on the firm were a relevant risk to crystallise including, but not limited to, the impact of a significant volume of complaints relating to the person’s activities;

(4) the likely impact on the continuity of the provision of services to clients in the event of the person’s failure;

(5) the potential for reputational damage which could harm the clients with which the person deals, or is likely to deal; and

(6) the ability of its own arrangements to effectively identify and manage those risks in compliance with its obligations in SYSC.

[Editor’s note: The provision at SUP 12.4.4DG is moved from SUP 12.4.5G.]

12.4.4D G In determining, under SUP 12.4.2R(2)(c), whether an appointed representative has any close links which would be likely to prevent the firm’s effective supervision, a firm should consider the guidance to threshold condition 2C or 3B as applicable in COND 2.3.

Practical considerations for assessment

12.4.4E G In undertaking the assessment required by SUP 12.4.2R, a firm should:

(1) ensure and verify that information provided by the appointed representative, either at entity-level or about relevant individuals (SUP 12.4.4G(2) and (3)), is accurate, sufficiently detailed and up to date;

(2) discuss any omissions or concerns proactively with relevant individuals at the appointed representative; and

(3) ensure that it is made aware of any changes, including to relevant individuals at the appointed representative, which may affect the quality or integrity of the information provided.

Continuing obligations after appointment: controls and resources

12.4.4F G SUP 12.4.2R applies on a continuing basis. In particular:

(1) a firm should re-assess whether its controls and resources remain adequate for the purposes of SUP 12.4.2R(3)(a) and (b) if any of the following circumstances arise:

(a) the size or volume of the appointed representative’s business involving regulated activity increases significantly in a short period of time;

(b) the firm identifies an unusually high rate of turnover at the
appointed representative of:

(i) senior management; or

(ii) other staff of the appointed representative involved in carrying on the regulated activities for which the firm has accepted responsibility;

(c) the firm identifies a significant increase in the number of complaints it receives about the appointed representative;

(d) the appointed representative changes its business model (including target market); or

(e) a change is made to the scope of the appointed representative’s appointment.

(2) SUP 12.6A.3R requires a firm to carry out a review, including of the adequacy of the firm’s controls and resources, in any of the circumstances specified in that rule.

Practical steps to ensure effective oversight

12.4.4G In order to comply with the various obligations in this chapter and having due regard to the nature of the appointed representative’s activities and the risks associated with them, a firm should:

(1) collect and scrutinise relevant management information and agree with its appointed representative how and when management information should be provided, the format it should take and the data it should capture;

(2) analyse data provided by the appointed representative to identify emerging risks and issues;

(3) closely monitor the delivery of the appointed representative’s activities and business, within the scope of its appointment (for example, by reviewing call scripts or other materials provided by the appointed representative and organising regular meetings with them);

(4) engage regularly with its appointed representative, whether through in-person meetings, telephone calls or email communication; and

(5) establish clear processes for the escalation of issues, including service level agreements where necessary. This could include, for example, grading of issue severity based on impact and potential harm to clients and processes for remediation within defined timeframes. Where appropriate, such expectations should be included in the contract between the firm and the appointed representative.

[Editor’s note: The provisions at SUP 12.4.4HR and SUP 12.4.4IG are not new text; they are moved from SUP 12.4.2AR and SUP 12.4.2BG respectively.]
Appointment of tied agents, MiFID optional exemption appointed representatives and structured deposit appointed representatives

12.4.4H R (1) A firm must ensure that:

(a) a tied agent that is an appointed representative; or
(b) a MiFID optional exemption appointed representative; or
(c) a structured deposit appointed representative.

is of sufficiently good repute and that it possesses appropriate general, commercial and professional knowledge and competence so as to be able to communicate accurately all relevant information regarding the proposed service to the client or potential client. This does not limit a firm’s obligations under SUP 12.4.2R.

(2) A firm must ensure that its tied agent or MiFID optional exemption appointed representative also possesses appropriate general, commercial and professional knowledge and competence so as to be able to deliver the investment service or ancillary service for which the firm has accepted responsibility.

[Note: paragraphs 2 and 3 of article 29(3) of MiFID]

12.4.4I G (1) A firm to which SUP 12.4.4HR applies should also have regard to SYSC 5.1 (Skills, knowledge and expertise). The requirements of the Training and Competence sourcebook (TC) and guidance in the Fit and Proper test for Employees and Senior Personnel (FIT) may also be relevant.

(2) ESMA has issued guidelines for MiFID investment firms specifying the criteria for the assessment of knowledge and competence. These guidelines are relevant to tied agents (see SYSC 5.1.5ADG).

12.4.5 G In determining, under SUP 12.4.2R(2)(c), whether an appointed representative or prospective appointed representative has any close links which would be likely to prevent the firm’s effective supervision, a firm should consider the guidance in threshold condition 2C or 3B as applicable in COND 2.3. [deleted] [Editor’s note: This provision now appears at SUP 12.4.4DG.]

Multiple principals

Multiple principal agreement

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8. Sharing information

The arrangements for sharing information on matters relevant to the matters covered under the multiple principal agreement and each principal's obligations under SUP 12.6 (Continuing obligations of firms with appointed representatives) and SUP 12.6A (Assessment of compliance).

Appointment of an introducer appointed representative

12.4.6 R Before a firm appoints a person as an introducer appointed representative, and on a continuing basis, it must take reasonable care to ensure that:

1. the person is suitable to act for the firm in that capacity (having regard, in particular, to other persons connected with the person who will be, or who are, directly responsible for its activities); and

2. the firm is ready and organised to comply with the other applicable requirements contained or referred to in this chapter; and

3. the person's activities do not, or would not, result in undue risk of harm to consumers or market integrity.

12.4.7A G In complying with the requirements in SUP 12.4.6R, a firm should also have regard, so far as relevant, to the guidance in SUP 12.4.4BG, SUP 12.4.4CG, SUP 12.4.4FG and SUP 12.4.4GG.

Inclusion on the Financial Services Register

12.4.9 G

(2) If an appointed representative's scope of appointment is to include an insurance distribution activity, the principal must notify the FCA of the appointment before the appointed representative commences that activity (see SUP 12.7.4R(1)). [deleted]

(3) As an exception, pre-notification is not required if the appointed representative is already included on the Financial Services Register as carrying on insurance distribution activities in another capacity (for example, as the appointed representative of another principal). [deleted]
... Appointed representative carrying on MCD credit intermediation activity...

12.4.10C G (1) If an appointed representative’s scope of appointment is to include MCD credit intermediation activity, the principal must notify the FCA of the appointment before the appointed representative commences that activity (see SUP 12.7.1R(1)). [deleted]

... Appointment of an FCA registered tied agent

12.4.11 R If a MiFID investment firm appoints an FCA registered tied agent, SUP 12.4.2R and SUP 12.4.2AR 12.4.4HR apply to that firm as though the FCA registered tied agent were an appointed representative.

... Tied agents

12.4.12 G ...

(5) If an appointed representative’s scope of appointment is to include acting as a tied agent, the principal must notify the FCA of the appointment before the appointed representative starts acting as such (see SUP 12.7.7R(1A)). [deleted]

... MiFID optional exemption appointed representatives and structured deposit appointed representatives

12.4.13 G ...

(2) A firm must notify the FCA of the appointment of a MiFID optional exemption appointed representative or a structured deposit appointed representative before such appointed representative starts acting in that capacity (SUP 12.7.1R). [deleted]

... 12.5 Contracts: required terms

Required contract terms for all appointed representatives

... 12.5.2A G If [deleted] [Editor’s note: This provision now appears at SUP 12.5.12G.]
(1) A MiFID investment firm or a third country investment firm appoints an appointed representative that is a tied agent or a MiFID optional exemption appointed representative, regulation 3(6) of the Appointed Representatives Regulations requires the contract between the firm and the appointed representative to contain a provision that the representative is only permitted to provide the services and carry on the activities referred to in section 39(7) of the Act while entered on the Register.

(2) A firm appoints an appointed representative that is a structured deposit appointed representative, regulation 3(6) of the Appointed Representatives Regulations requires the contract between the firm and the appointed representative to contain a provision that the representative is only permitted to sell, or advise clients on, structured deposits while entered on the Register.

12.5.3 G (Subject to SUP 12.5.3AG 12.5.13G) A firm should satisfy itself that the terms of the contract with its appointed representative (including an introducer appointed representative):

(2) require the appointed representative to cooperate with the FCA as described in SUP 2.3.4G (Information gathering by the FCA on its own initiative: cooperation by firms) and give access to its premises, as described in SUP 2.3.5R(2); and

(3) require the appointed representative to give the firm's auditors the same rights as are provided by section 341 of the Act; and

(4) require the appointed representative to provide the firm with such information as is necessary to enable the firm to comply with its obligations under this chapter (SUP 12), including, without limitation:

(a) as to any matters which might require the firm to undertake a review under SUP 12.6A.3R;

(b) to enable the firm to comply with its reporting and notification obligations in SUP 12.7.

12.5.3A G To the extent that the appointment of the appointed representative includes CBTL business, a firm should satisfy itself that the terms of the contract with its appointed representative: [deleted] [Editor's note: This provision now appears at SUP 12.5.13G.]

(1) are designed to enable the firm to comply properly with any direction issued or imposed under article 19 of the MCD Order; and

(2) require the appointed representative to deal with the FCA in an open and co-operative manner and give access to its premises, as set out in SUP 2.3.4G and SUP 2.3.5R(2), as applied by SUP 2.1.2AG.
12.5.4 G A firm should have the ability to terminate the contract with its appointed representative in the circumstances in SUP 12.6.1R(2). However, such a termination provision should not be automatic (see SUP 12.8.3R(1)). SUP 12.5.5R(4) also requires that the firm be able to terminate the contract in the event that the firm determines that it is no longer able to effectively oversee the activities of the appointed representative.

12.5.5 R A firm must ensure that its written contract with each of its appointed representatives:

... 

(2A) (where the scope of appointment of the appointed representative includes CBTL business) requires the appointed representative to comply, and to ensure that any persons who provide services to the appointed representative under a contract for service comply, with the requirements of and arising under Part 3 of the MCD Order; and

(3) (unless the written contract prohibits appointments by other principals) requires the appointed representative to notify the firm:

... 

(c) (as soon as possible) of the termination of any such appointment; and

(4) enables the firm to terminate the contract in the event that the firm determines, pursuant to its continuing obligation in SUP 12.4.2R, SUP 12.4.6R or SUP 12.4.8AR that it is no longer able to adequately oversee the activities of the appointed representative.

...

[Editor's note: The provisions at SUP 12.5.12G and SUP 12.5.13G are not new text; they are moved from SUP 12.5.2AG and SUP 12.5.3AG respectively.]

Required contract terms for tied agents, MiFID optional exemption appointed representatives and structured deposit appointed representatives

12.5.12 G If:

(1) a MiFID investment firm or a third country investment firm appoints an appointed representative that is a tied agent or a MiFID optional exemption appointed representative, regulation 3(6) of the Appointed Representatives Regulations requires the contract between the firm and the appointed representative to contain a provision that the representative is only permitted to provide the services and carry on the activities referred to in section 39(7) of the Act while entered on the Register;
(2) a firm appoints an appointed representative that is a structured deposit appointed representative, regulation 3(6) of the Appointed Representatives Regulations requires the contract between the firm and the appointed representative to contain a provision that the representative is only permitted to sell, or advise clients on, structured deposits while entered on the Register.

Required contract terms for appointed representatives engaging in CBTL business

12.5.13 G To the extent that the appointment of the appointed representative includes CBTL business, a firm should satisfy itself that the terms of the contract with its appointed representative:

(1) are designed to enable the firm to comply properly with any direction issued or imposed under article 19 of the MCD Order; and

(2) require the appointed representative to deal with the FCA in an open and co-operative manner and give access to its premises, as set out in SUP 2.3.4G and SUP 2.3.5R(2), as applied by SUP 2.1.2AG.

12.6 Continuing obligations of firms with appointed representatives or FCA registered tied agents

Suitability etc. of appointed representatives Remediation and termination

12.6.1 R …

12.6.1-A G Where SUP 12.6.1R applies, the circumstances in which it is likely to be appropriate to terminate the contract include, but are not limited to, where:

(1) there are issues with the appointed representative which have not been resolved satisfactorily or within a reasonable period of time. This may include where the appointed representative has agreed to resolve known issues but it has not met the firm’s standards or expectations for remediation or where the firm considers the proposed remediation would risk it breaching applicable rules;

(2) the appointed representative is unable to satisfactorily explain unusually high rates of senior management turnover;

(3) the principal becomes aware that the appointed representative is carrying on regulated activities in breach of the general prohibition or (if the appointed representative is a firm with a limited permission) in breach of section 20(1) or (1A) of the Act;

(4) the appointed representative is found to have intentionally misled clients or potential clients in any way; or

(5) any of the appointed representative’s senior management with responsibility for, or involvement in, activities carried on within the scope of the appointed representative’s appointment are dismissed on
the basis of gross misconduct.

12.6.1-B  G  SUP 12 Annex 7G contains a flowchart to assist firms in determining whether a particular matter is more properly addressed through remediation or termination.

Monitoring: tied agents; appointed representatives carrying on MCD credit intermediation activity

12.6.1A  R  …

…

Appointed representative’s financial position

12.6.2  G  The FCA would normally expect a firm to carry out a check on its appointed representative’s financial position every year (more often, if necessary) and to review critically the information obtained. A firm is required to review the financial position of its appointed representatives (other than its introducer appointed representatives) at least annually (SUP 12.6A.2R). An appropriately experienced person (for example, a financial accountant) should carry out these checks in support of the firm’s obligation in SUP 12.6A.2R.

…

12.6.5A  G  …

Appointed representatives performing functions or tasks for principals

12.6.5B  G  (1)  Where a firm delegates functions or tasks to an appointed representative, it should apply appropriate safeguards including, but not limited to:

(a) ensuring that the delegation does not represent a conflict of interest; and

(b) applying enhanced monitoring to the delegated task or function.

(2)  A firm should also refer, where applicable, to SYSC 3.2.3G.

Regulated activities and investment services outside the scope of appointment

…

12.6.6A  G  In determining what are reasonable steps for the purposes of SUP 12.6.6R, a firm should have regard to the guidance at SUP 12.4.4GG.

…
Insert the following new section SUP 12.6A after SUP 12.6 (Continuing obligations of firms with appointed representatives or FCA registered tied agents). The text is not underlined.

12.6A Assessment of compliance

Purpose

12.6A.1 G (1) SUP 12.4.2R imposes continuing obligations on a firm that has appointed an appointed representative. This includes to ensure on reasonable grounds that the person is suitable to act in the capacity of an appointed representative and that the firm has adequate controls and resources to oversee the person’s activities. SUP 12.4.6R imposes similar obligations in relation to introducer appointed representatives.

(2) SUP 12.6.1R requires a firm to act where it has reasonable grounds to believe that the conditions referred to in (1) are not, or are not likely to be, satisfied in relation to any appointed representative.

(3) Without prejudice to these continuing requirements, the rules in this section require:

(a) a firm to undertake a specific review (referred to in this section as the ‘annual review’) of certain aspects of its arrangements with appointed representatives (other than introducer appointed representatives) on at least an annual basis; and

(b) the governing body of a firm to:

(i) review and approve at least once every 12 months a written record of the firm’s assessment of how it is meeting the requirements in this chapter (referred to in this section as the ‘self-assessment document’); and

(ii) agree the firm’s response to any material issues identified.

(4) The assessment in (3)(b) applies in relation to introducer appointed representatives to the extent that the rules in this chapter apply to arrangements with introducer appointed representatives.

Annual review

12.6A.2 R At least once every 12 months, a firm must specifically review in respect of each of the firm’s appointed representatives (other than its introducer appointed representatives):

(1) whether the appointed representative is solvent and otherwise suitable for the purposes of SUP 12.4.2R(2)(a) and (b);

(2) the fitness and propriety of the controllers, directors, partners, proprietors and managers of the appointed representative and, in particular, their ability to carry out the regulated activities for which
the firm has accepted responsibility; and

(3) the adequacy of the firm’s controls over, and resources for monitoring and enforcing compliance of, the appointed representative for the purposes of SUP 12.4.2R(3)(a) and (b).

12.6A.3 R In addition to the annual review required by SUP 12.6A.2R, a firm must carry out a review of the matters in SUP 12.6A.2R in relation to an appointed representative where:

(1) the appointed representative changes its business model (including its target market);

(2) the scope of the appointed representative’s appointment is expanded to include one or more additional regulated activities;

(3) the appointed representative changes any of its senior management in a particular role with responsibility for, or being involved with, the activities being carried on within the scope of its appointment more than once in a 12-month period;

(4) the appointed representative is appointed by an additional principal; or

(5) the firm identifies a significant increase in the number of complaints it receives about the appointed representative.

12.6A.4 R (1) A firm must maintain a written record of each review undertaken for the purposes of SUP 12.6A.2R or SUP 12.6A.3R.

(2) The written record required by (1) must be retained for at least 6 years.

12.6A.5 G (1) In carrying out, and documenting, each review required by SUP 12.6A.2R or SUP 12.6A.3R, a firm:

(a) should have regard to the guidance on assessing the matters covered by the review in SUP 12.4;

(b) may focus on any changes from the previous such review undertaken in relation to the relevant appointed representative and cross-refer, where appropriate, to previous reviews.

(2) A firm may determine the most appropriate way in which to undertake and document each review required by SUP 12.6A.2R or SUP 12.6A.3R. Each review should be undertaken by one or more individuals at the firm with an appropriate level of knowledge and experience.

(3) A firm should ensure that any significant issues which arise as a result of a review undertaken for the purposes of SUP 12.6A.2R or SUP 12.6A.3R are escalated for consideration by its governing body,
where appropriate, in particular in so far as those issues give rise to risks of harm to consumers or market integrity (see also SUP 12.6A.7G(1)(c)).

Self-assessment

12.6A.6 R (1) At least once every 12 months, the governing body of a firm must:

(a) review and approve a written record (its 'self-assessment document'):

(i) of the way in which the firm complies with the requirements in this chapter (SUP 12); and

(ii) that identifies any material deficiencies in, or concerns in relation to, such compliance; and

(b) agree the steps to be taken to address the matters in (1)(a)(ii).

(2) The self-assessment document must include any concerns arising from the most recent reviews undertaken in relation to each of the firm's appointed representatives for the purposes of SUP 12.6A.2R or SUP 12.6A.3R.

12.6A.7 G (1) The self-assessment document should include, as appropriate, the firm's current assessment of:

(a) the effectiveness of the firm's arrangements for overseeing its appointed representatives;

(b) the adequacy of the firm's controls and resources for the purposes of SUP 12.4.2R(3);

(c) the firm's assessment of the risk of harm to consumers or market integrity arising from its appointed representatives' activities or business (SUP 12.4.2R(5));

(d) the outcome of any re-assessment of the continuing adequacy of the firm's controls and resources for the purposes of SUP 12.4.4FG; and

(e) the methodologies used to assess and verify the firm's compliance with the requirements.

(2) In respect of any introducer appointed representatives, the self-assessment document should include, as appropriate, those matters in (1) which are relevant to introducer appointed representatives (including those matters specified in SUP 12.6A.7G(1)(a),(c) and (d)).

12.6A.8 R A firm must retain a copy of each self-assessment document approved by the governing body of the firm for at least 6 years from the date of approval.
12.6A.9 G (1) While the self-assessment document must be approved by the governing body each year (SUP 12.6A.6R), it is not expected that the firm creates a new document each year.

(2) A firm that has appointed more than one appointed representative need only maintain a single self-assessment document covering all of its appointed representative relationships.

12.6A.10 G While the self-assessment document need only be approved by the governing body once a year, firms are reminded that the senior management of a firm is responsible for the control and monitoring of the firm’s appointed representatives (SUP 12.6.7G). Notwithstanding the requirements of this section, a firm should ensure that any issues relating to its appointed representatives are escalated for consideration by its governing body where appropriate, in addition to the annual approval of the self-assessment document, in particular in so far as those issues give rise to risks of harm to consumers or market integrity.

Amend the following text as shown.

12.7 Notification and reporting requirements

Notification of appointment of an appointed representative

12.7.1 R (1) This rule applies to a firm which intends to appoint an appointed representative or FCA registered tied agent:

(a) an appointed representative to carry on insurance distribution activities; or

(b) a tied agent; or

(c) an appointed representative to carry on MCD credit intermediation activity; or

(d) a MiFID optional exemption appointed representative; or

(e) a structured deposit appointed representative.

(2) This rule also applies to a firm which has appointed an appointed representative. [deleted]

(3) A firm in (4) to which this rule applies must complete and submit the form in SUP 12 Annex 3 before the appointment to be received by the FCA no later than 30 days before the commencement of regulated activities by the proposed appointed representative.

(4) A firm in (2) must complete and submit the form in SUP 12 Annex 3 within ten business days after the commencement of activities. [deleted]
12.7.1A R (1) A firm other than:

(a) a credit union; or

(b) a firm which intends to appoint, or has appointed, an appointed representative to carry on only credit-related regulated activity;

must submit the form in SUP 12 Annex 3 via online submission at the FCA’s website at http://www.fca.org.uk or any of the methods set out in SUP 15.7.4R to SUP 15.7.5AR (Method of notification).

(2) A credit union or a firm which intends to appoint, or has appointed, an appointed representative to carry on only credit-related regulated activity must submit the form in SUP 12 Annex 3R in the way set out in SUP 15.7.4R to SUP 15.7.9G (Form and method of notification).

…

12.7.2 G A firm’s notice under SUP 12.7.1R should give details of the proposed appointed representative and the regulated activities which the firm is, or intends to, carry on through the appointed representative, including:

…

(2A) if the appointed representative is a company, its company registration number;

(3) a description of the nature of the regulated activities which the appointed representative is will be permitted or required to carry on and for which the firm has accepted intends to accept responsibility;

(4) any restrictions imposed on the regulated activities for which the firm has accepted intends to accept responsibility; and

(5) where the appointed representative is not an individual, the name of the individuals who are responsible for the management of the business carried on by the appointed representative so far as it relates to insurance distribution activity;

(6) where the appointed representative will carry on insurance distribution activities, the name of the individual to be named as the primary point of contact at the appointed representative on the Financial Services Register;

(7) information on the nature of any non-regulated activities of the appointed representative;

(8) any group of which the appointed representative is a part;

(9) the principal reason for the appointment;
(10) information about the financial relationship between the firm and the appointed representative;

(11) an estimate of the expected level of revenue of the appointed representative during the first year of its appointment by reference to its regulated activities and non-regulated activities;

(12) whether the appointed representative will provide services to retail clients;

(13) whether it was previously the appointed representative of a different principal; and

(14) information on any arrangements for seconding or contracting individuals from the appointed representative to the principal for the purposes of conducting portfolio management or dealing activities.

12.7.2A G A firm’s notice under SUP 12.7.1R relating to a proposed introducer appointed representative need not include those details specified in SUP 12.7.2G(7), (8), (9), (12), (13) and (14).

12.7.2B G A firm should only submit a notification pursuant to SUP 12.7.1R having first established those matters in SUP 12.4.2R or SUP 12.4.6R, as applicable.

…

Notification of appointed representatives undertaking regulated funeral plan activity

12.7.6A R (1) A firm must notify the FCA in good time before:

(a) it appoints an appointed representative to carry on regulated funeral plan activity for the first time; or [deleted]

(b) …

…

…

Notification of changes in information given to the FCA

12.7.7 R (1) If; [deleted] [Editor’s note: This provision now appears at SUP 12.7.7AR.]

(a) (i) the scope of appointment of an appointed representative is extended to cover insurance distribution activities for the first time; and

(ii) the appointed representative is not included on the Financial Services Register as carrying on insurance distribution activities in another capacity; or
(b) the scope of appointment of an appointed representative ceases to include insurance distribution activity;

the appointed representative’s principal must give written notice to the FCA of that change before the appointed representative begins to carry on insurance distribution activities under the contract (see SUP 12.4) or as soon as the scope of appointment of the appointed representative ceases to include insurance distribution activities.

(1A) If: [deleted] [Editor’s note: This provision now appears at SUP 12.7.7BR.]

(a) (i) the scope of appointment changes such that the appointed representative acts as a tied agent, MiFID optional exemption appointed representative or structured deposit appointed representative for the first time; and

(ii) the appointed representative is not included on the Financial Services Register; or

(b) the appointed representative ceases to act as a tied agent, MiFID optional exemption appointed representative or structured deposit appointed representative;

the appointed representative’s principal must give written notice to the FCA of that change before the appointed representative begins to act as a tied agent, MiFID optional exemption appointed representative or structured deposit appointed representative (see SUP 12.4) or as soon as the appointed representative ceases to act as a tied agent, MiFID optional exemption appointed representative or structured deposit appointed representative.

(1B) If: [deleted] [Editor’s note: This provision now appears at SUP 12.7.7CR.]

(a) (i) the scope of appointment of an appointed representative is extended to cover MCD credit intermediation activity for the first time; and

(ii) the appointed representative is not included on the Financial Services Register; or

(b) the scope of appointment of an appointed representative ceases to include MCD credit intermediation activity;

the appointed representative’s principal must give written notice to the FCA of that change before the appointed representative begins to carry on MCD credit intermediation activity under the contract (see SUP 12.4), or as soon as the scope of appointment of the appointed representative ceases to include MCD credit intermediation activity.
[Note: article 31(4) of the MCD]

(2) Where except where (4) applies, where there is a change in any of the information provided to the FCA under SUP 12.7.1R or SUP 12.7.7R(1A), a firm must complete and submit to the FCA the form in SUP 12 Annex 4R (Appointed representative or tied agent – change details) within ten business days of that change being made or, if later, as soon as the firm becomes aware of the change. The Appointed representative or tied agent – change details form must state that the information has changed.

…

(4) A firm must complete and submit to the FCA the form in SUP 12 Annex 4R (Appointed representative or tied agent – change details) at least 10 days before a change taking effect to the category of regulated activities which the appointed representative is permitted or required to carry on and for which the firm accepts responsibility.

…

[Editor’s note: The provisions at SUP 12.7.7AR, SUP 12.7.7BR and SUP 12.7.7CR are not new text; they are moved from SUP 12.7.7R(1), (1A) and (1B) respectively.]

Notification of changes relating to insurance distribution activities

12.7.7A R If:

(1) (a) the scope of appointment of an appointed representative is extended to cover insurance distribution activities for the first time; and

(b) the appointed representative is not included on the Financial Services Register as carrying on insurance distribution activities in another capacity; or

(2) the scope of appointment of an appointed representative ceases to include insurance distribution activity;

the appointed representative’s principal must give written notice to the FCA of that change before the appointed representative begins to carry on insurance distribution activities under the contract (see SUP 12.4) or as soon as the scope of appointment of the appointed representative ceases to include insurance distribution activities.

Notification of changes relating to tied agents, MiFID optional exemption appointed representatives and structured deposit appointed representatives

12.7.7B R If:

(1) (a) the scope of appointment changes such that the appointed
representative acts as a tied agent, MiFID optional exemption appointed representative or structured deposit appointed representative for the first time; and

(b) the appointed representative is not included on the Financial Services Register; or

(2) the appointed representative ceases to act as a tied agent, MiFID optional exemption appointed representative or structured deposit appointed representative;

the appointed representative’s principal must give written notice to the FCA of that change before the appointed representative begins to act as a tied agent, MiFID optional exemption appointed representative or structured deposit appointed representative (see SUP 12.4) or as soon as the appointed representative ceases to act as a tied agent, MiFID optional exemption appointed representative or structured deposit appointed representative.

Notification of changes relating to MCD credit intermediation activity

12.7.7C R If:

(1) (a) the scope of appointment of an appointed representative is extended to cover MCD credit intermediation activity for the first time; and

(b) the appointed representative is not included on the Financial Services Register; or

(2) the scope of appointment of an appointed representative ceases to include MCD credit intermediation activity;

the appointed representative’s principal must give written notice to the FCA of that change before the appointed representative begins to carry on MCD credit intermediation activity under the contract (see SUP 12.4), or as soon as the scope of appointment of the appointed representative ceases to include MCD credit intermediation activity.

[Note: article 31(4) of the MCD]

…

Notification of intention to act as a regulatory host

12.7.9A R (1) A firm must notify the FCA if it intends to begin acting as a regulatory host.

(2) The notification in (1) must be received by the FCA at least 60 days before the firm begins offering services as a regulatory host.

12.7.9B G (1) Any notification required by SUP 12.7.9AR is in addition to any notification required by any other rule in SUP 12 (including the requirement to notify the FCA of an intention to appoint individual
appointed representatives in SUP 12.7.1R).

(2) A firm making a notification in accordance with SUP 12.7.9AR should consider the rules and guidance in SUP 15.7 on the form and method of notification.

(3) When providing the notification required by SUP 12.7.9AR, a firm may include information about the service that it intends to offer.

Other notifications

12.7.9C G (1) A firm should also be aware that certain matters relating to firms’ appointed representatives may require notification to be made to the FCA under the notification rules in SUP 15 and Principle 11.

(2) In particular, SUP 15.3.8G(2) sets out the FCA’s expectation that a firm will notify the FCA in accordance with Principle 11 in the event of a significant failure of the firm’s systems and controls for overseeing its appointed representatives.

Complaints and revenue data reporting

12.7.9D R (1) This rule applies to a firm that has appointed one or more appointed representatives.

(2) A firm must, once a year, submit the form in SUP 12 Annex 6R (On-going reporting by principal firms on their appointed representatives) to the FCA including information on:

(a) numbers of complaints relating to each of the firm’s appointed representatives; and

(b) revenue and remuneration attributed to each of the firm’s appointed representatives.

(3) The form in (2) must be submitted to the FCA within 60 business days of the firm’s accounting reference date using the appropriate online systems accessible from the FCA’s website.

(4) A firm must submit the form in (2) in respect of each 12-month period to its accounting reference date in respect of which it has been a principal to one or more appointed representatives (whether or not it was a principal for the complete 12-month period).

(5) In relation to an appointed representative with more than one principal, a firm need not report information about the appointed representative’s revenue from non-regulated activities if it is not the ‘lead-principal’ (see SUP 12.4.5DG).

12.7.9E G In complying with SUP 12.7.9DR in relation to an appointed representative with more than one principal, a firm should only report information about the appointed representative’s revenue from that regulated activity for which the
firm has accepted responsibility

Submission in the event of failure of FCA information technology systems

12.7.10 G If the FCA’s information technology systems fail and online submission is unavailable for 24 hours or more, the FCA will endeavour to publish a notice on its website confirming that online submission is unavailable and that firms, other than credit unions, should use the alternative methods of submission set out in SUP 12.7.1AR(3) and SUP 12.7.8AR(3) (as appropriate), and SUP 15.7.4R to SUP 15.7.9G, addressing clearly marking applications for the attention of the Approved Persons, Passporting and Mutuals Team as relating to appointed representatives.

12.8 Termination of a relationship with an appointed representative or FCA registered tied agent

Notification of termination or prohibited amendment of the contract

12.8.2 G In assessing whether to terminate a relationship with an appointed representative, a firm should have regard to the guidance in SUP 12.6.1-AG and be aware that the notification rules in SUP 15 require notification to be made immediately to the FCA if certain events occur. Examples include a matter having a serious regulatory impact or involving an offence or a breach of any requirement imposed by the Act or by regulations or orders made under the Act by the Treasury.

Steps to be taken on termination or prohibited amendment of the contract

12.8.3 R If a contract with an appointed representative is terminated, or if it is amended in a way which gives rise to a requirement to notify under SUP 12.8.1R, a firm must take all reasonable steps to ensure that:

... (3) where appropriate, clients are informed of any relevant changes; and

(4) all the other principals of the appointed representative of which the firm is aware are notified; and

(5) if the termination results in the wind down of relevant business, this is, or will be, undertaken in an orderly way.

12.9 Record keeping

...
SUP 12.6A also contains rules on maintaining records of a firm’s self-assessment documents and of reviews undertaken by a firm’s governing body of appointed representative arrangements.
Add an appointed representative or tied agent form

Notification under *SUP 12.7.1R* (i.e. the form in *SUP 12 Ann 3R*)

<table>
<thead>
<tr>
<th>12 Annex 3R</th>
<th>Appointed representative appointment form</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>This annex consists of only one form. Forms can be completed online now by visiting: <a href="http://www.fca.org.uk/firms/authorisation">www.fca.org.uk/firms/authorisation</a></td>
</tr>
<tr>
<td></td>
<td>The form can also be found through the following address:</td>
</tr>
<tr>
<td></td>
<td>Add an appointed representative or tied agent form 10 - <em>SUP 12 Ann 3</em></td>
</tr>
</tbody>
</table>

"Firm name (i.e. the *principal firm*) †

("The firm")

Firm reference number§*

Address§*

Please return the form to:
Financial Conduct Authority
12 Endeavour Square
London, E20 1JN
United Kingdom
Telephone  +44 (0)

† These questions should be completed whether submission of this form is online or in one of the other ways set out in *SUP 15.7*
* These questions should only be completed if the form is being submitted in one of the ways set out in *SUP 15.7* other than online submission. It should not be completed if the submission of this form is online
§ Denotes a mandatory field
§ These questions are not applicable to introducer appointed representatives
NOTES

This form should be used to notify the FCA of a new appointed representative or tied agent. It is the form required by SUP 12.7.1R which is set out in SUP 12 Ann 3R.

For the purposes of this form, references to ‘appointed representative’ include ‘tied agent’ unless the context otherwise requires.

### Personal Details

<table>
<thead>
<tr>
<th>Section A</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>1</strong></td>
<td>Contact name for this form (this is not necessarily the same person making the declaration at the end of the form) ( ^{†} )</td>
</tr>
<tr>
<td><strong>2</strong></td>
<td>Contact's details:</td>
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<td></td>
<td>a</td>
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</tbody>
</table>

\( ^{†} \) These questions should be completed whether submission of this form is online or in one of the other ways set out in SUP 15.7

\( ^{‡} \) These questions should only be completed if the form is being submitted in one of the ways set out in SUP 15.7 other than online submission. It should not be completed if the submission of this form is online

\( ^{*} \) Denotes a mandatory field
### New Appointed Representative Details

**Section B**

<table>
<thead>
<tr>
<th></th>
<th>Question</th>
<th>Answer</th>
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<tbody>
<tr>
<td>1</td>
<td>Name of the appointed representative(\dagger) (\S)</td>
<td></td>
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<tr>
<td></td>
<td>Appointed Representative FRN (if known) (\ast)</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Company registration number (Companies House number if incorporated in the United Kingdom) (\dagger)</td>
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</tr>
<tr>
<td>2</td>
<td>Address of the appointed representative(\dagger) (\S)</td>
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<tr>
<td></td>
<td>Postcode:</td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>Trading name(s) of the appointed representative, if different to the name given in question 1 above(\dagger)</td>
<td></td>
</tr>
<tr>
<td>4</td>
<td>Telephone number of the appointed representative(\dagger)</td>
<td></td>
</tr>
<tr>
<td>5</td>
<td>Fax number of the appointed representative(\ast)</td>
<td></td>
</tr>
<tr>
<td>6</td>
<td>Email address of the appointed representative(\dagger) (\S)</td>
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<td>7</td>
<td>Website address of the appointed representative(\dagger)</td>
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<tr>
<td>8</td>
<td>Legal status of the appointed representative (\dagger) (\S)</td>
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</tr>
<tr>
<td></td>
<td>Sole trader</td>
<td>[ ]</td>
</tr>
<tr>
<td></td>
<td>Other, please specify below</td>
<td>[ ]</td>
</tr>
</tbody>
</table>

\(\dagger\) These questions should be completed whether submission of this form is online or in one of the other ways set out in SUP 15.7

\(\ast\) These questions should only be completed if the form is being submitted in one of the ways set out in SUP 15.7 other than online submission. It should not be completed if the submission of this form is online

\(\S\) Denotes a mandatory field

\(\dagger\) These questions are not applicable to introducer appointed representatives
Date of appointment (if an appointed representative carrying on insurance distribution activities or a tied agent) or Intended date of commencement of the appointed representative’s activities (if any other kind of appointed representative)  † §

Yes  No

Is the appointed representative be an introducer appointed representative?  † §

Yes  No

Is the application in respect of a tied agent?  † §

Yes  No

If the appointed representative will carry on insurance distribution activities, name of main contact for Financial Services Register:  † §

Title  † §

Forename(s)  † §

Surname  † §

Yes  No

Was the appointed representative to which this form refers previously an appointed representative of a different principal?  † §

Yes  No

If “yes”, for what reason was the arrangement with the previous principal terminated?  † §

End of contract  ❌

Terminated by principal  ❌

Retirement  ❌

Terminated by the appointed representative  ❌

Suspension  ❌

Failure of the appointed representative  ❌

Other  ❌

If “yes”, please provide any additional information considered relevant.  † §

Yes  No

Is the appointed representative part of a group?  † §

Yes  No

If the appointed representative is part of a group, what is the name(s) and FRN(s) of the parent undertaking(s)?  † §

Yes  No

What is the primary market covered by the appointed representative agreement in which the appointed representative will undertake regulated activity?  † §

1 “Group” has the meaning given in section 421 of the Financial Services and Markets Act 2000 and contained in the Glossary of the FCA Handbook: https://www.handbook.fca.org.uk/handbook/glossary/G486.html

Credit-related regulated activity; Select all that apply below:
- Credit broking
- Other credit-related regulated activity
- Insurance distribution activity
- Structured deposit regulated activity
- Consumer buy-to-let mortgage business

Operating an electronic system in relation to lending
- Funeral plan distribution
- Bidding in emissions auctions
- Home finance mediation activity; Select all that apply below:
  - (i) mortgage mediation activity;
  - (ii) reversion mediation activity;
  - (iii) home purchase mediation activity

Designated investment business; Select all that apply below:
- (i) in connection with managing investments;
- (ii) involves advising on pension transfers and pension opt-outs;
- (iii) other designated investment business

If the appointed representative will be permitted to undertake regulated activities under the appointed representative agreement in additional markets, what markets will the appointed representative undertake regulated activities in? Select all options that apply: 

Credit-related regulated activity; Select all that apply below:
- Credit broking
- Other credit-related regulated activity
- Insurance distribution activity
- Structured deposit regulated activity
- Consumer buy-to-let mortgage business

Operating an electronic system in relation to lending
- Funeral plan distribution
- Bidding in emissions auctions
- Home finance mediation activity; Select all that apply below:
  - (i) mortgage mediation activity;
  - (ii) reversion mediation activity;
  - (iii) home purchase mediation activity

Designated investment business; Select all that apply below:
- (i) in connection with managing investments;
- (ii) involves advising on pension transfers and pension opt-outs;
- (iii) other designated investment business

Will the appointed representative undertake designated investment business? 

---

3 The primary market refers to the category of regulated activity from which the largest percentage of the appointed representative’s gross income is expected to be derived.
### Question 12
Will the appointed representative undertake home finance activities? "§

### Question 12A
Will the appointed representative undertake consumer buy-to-let mortgage business? "

### Question 13
Is the application in respect of: "§

1. An appointed representative who will carry on insurance distribution activities?

If question 13(1) is answered “yes”, you must complete the 3 fields immediately below:

- Name of main contact for Financial Services register:
  - Title "
  - Forename(s) "
  - Surname "

Or

2. A tied agent?

### Question 14
Will the appointed representative undertake credit-related regulated activities? "§

### Question 15
Will the appointed representative undertake structured deposit related regulated activities? "§

### Question 15A
Will the appointed representative undertake funeral plan distribution? "§

### Question 16
Will the appointed representative provide services to retail clients, as applicable? " § "

### Question 17
Will any individuals from the appointed representative be seconded or contracted to the principal firm to carry on portfolio management / dealing activities? " § "

### Question 18
If 'Yes' please explain the rationale for entering into such an arrangement. " § "

### Question 19
What is the primary reason for the principal’s intention to appoint the appointed representative? " § "

- Distribution of products/services
- Acquisition of an appointed representative / restructuring of business
- Investment adviser to fund managed by principal/connected firm
- Introductions/capital raising for principal’s business
- Hosting/compliance services/incubation
- Other

If other, provide details

- Yes
- No
20 Will the appointed representative conduct any non-regulated activities?  
Yes No

If question 20 is answered “yes”, you must consider the two fields immediately below:

20A Will the non-regulated activity include non-regulated financial services activities?  
Yes No

20B If yes, what is the non-regulated financial services activity?  
Open text box

21 Approximately how much revenue does the appointed representative expect to generate from its regulated activities in the first year following the commencement of its appointment?

- £0 and <£100k
- £100k and <£250k
- £250k and <£1m
- £1m and <£10m
- £10m and <£50m
- £50m and <£100m
- £100m and <£500m
- £500m

22 If question 20A is answered “yes”, approximately how much revenue does the appointed representative expect to generate from its non-regulated financial services activities in the first year following the commencement of its appointment?

- £0 and <£100k
- £100k and <£250k
- £250k and <£1m
- £1m and <£10m
- £10m and <£50m
- £50m and <£100m
- £100m and <£500m
- £500m

4 In this form, ‘non-regulated activity’ means activity that is not a regulated activity.

5 In this form, ‘non-regulated financial services activities’ refers to any activity of a financial nature but that does not involve the person carrying on regulated activity. This includes, but is not limited to, activities relating to investment services; insurance; pensions; banking; lending (including consumer credit, mortgages, factoring, financing of commercial transactions); financial leasing; money transmission; payments; guarantees and commitments; foreign exchange; the issuance of securities and other service of a corporate finance nature; custodial, depositary and trust services; and financial information and data services.

6 Where the data is available, for example if the appointed representative already conducts these activities (for example, for non-regulated business, or if regulated business was conducted under a different principal) the principal should provide the estimation based on actual figures.
23 If question 20 is answered “yes”, approximately how much revenue does the appointed representative expect to generate from its non-regulated non-financial services activities in the first year following the commencement of its appointment? † § ¶ ≥£0 and <£100k ≥£100k and <£250k ≥£250k and <£1m ≥£1m and <£10m ≥£10m and <£50m ≥£50m and <£100m ≥£100m and <£500m ≥£500m

24 Will the appointed representative pay the principal firm for services received? † § Yes No

24A If “yes”, indicate for which services the appointed representative will pay the principal firm: †

- Commission 7
- Compliance services 8
- IT services 9
- Regulatory hosting services
- Any other fees  
- If other, provide details

24B Please provide any additional information about the financial relationship between the appointed representative and the principal considered relevant:10 †

---

7 Most commission is paid by the principal firm to appointed representatives. This question asks about payments the appointed representative makes to the principal firm. Select this option if the appointed representative will make commission payments to the principal.

8 Fees the appointed representative will pay the principal for providing them or assisting them with compliance.

9 Payments the appointed representative will make to the principal for use of IT systems, including licences.

10 Principals can use this text box to explain the nature of the financial relationship between themselves and the appointed representative. This could include, for example, explanations of payments made by the appointed representative to the principal, or by the principal to the appointed representative. It can also be used to explain the financial arrangement if no money is paid.
Declaration and signatures

Warning

Knowingly or recklessly giving the FCA information, which is false or misleading in a material particular, may be a criminal offence (sections 398 and 400 of the Financial Services and Markets Act 2000).

SUP 15.6.4R requires an authorised person to take reasonable steps to ensure the accuracy and completeness of information given to the FCA and to notify the FCA immediately if materially inaccurate information has been provided.

Contravention of these requirements may lead to disciplinary sanctions or other enforcement action by the Appropriate Regulator.

It should not be assumed that information is known to the FCA merely because it is in the public domain or has previously been disclosed to the FCA or another regulatory body. If you are not sure whether a piece of information is relevant, please include it anyway.

Data Protection

For the purposes of complying with the Data Protection Act, the personal information in this form will be used by the FCA to discharge its statutory functions under the Financial Services and Markets Act 2000 and other relevant legislation. It will not be disclosed for any other purposes without the permission of the applicant.

Review and submission

The ability to submit this form is given to an appropriate user or users by the firm’s principal compliance contact.

Some questions do not require supporting evidence. However, the records, which demonstrate the applicant firm’s compliance with the rules in relation to the questions, must be available to the FCA on request.

Declaration

By submitting this notification:

- I/we confirm that this information is accurate and complete to the best of my knowledge and belief and that I have taken all reasonable steps to ensure that this is the case.
- I/we confirm that I/we have complied with all of my/our regulatory obligations as a principal, including those contained in the Financial Services and Markets Act 2000 and SUP 12.
- I am/we are aware that it is a criminal offence knowingly or recklessly to give the FCA information that is false or misleading in a material particular.
- I/we will notify the FCA immediately if there is a significant change to the information given in the form. If I/we fail to do so, this may result in a delay in the application process or enforcement action.

<table>
<thead>
<tr>
<th>Signature *</th>
</tr>
</thead>
<tbody>
<tr>
<td>✔</td>
</tr>
<tr>
<td>Name of signatory †</td>
</tr>
<tr>
<td>✔</td>
</tr>
<tr>
<td>Date †</td>
</tr>
<tr>
<td>✔</td>
</tr>
<tr>
<td>Position in firm †</td>
</tr>
</tbody>
</table>

* These questions should only be completed if the form is being submitted in one of the ways set out in SUP 15.7 other than online submission. It should not be completed if the submission of this form is online.
Individual Registration Number (if applicable)

☐ Tick here to confirm you have read and understood this declaration: -
Appointed representative or tied agent – change details

This annex consists of only one or more form. Forms can be completed online now by visiting: www.fca.org.uk/firms/authorisation

The form can also to be found through the following address:

Appointed representative or tied agent – change details - SUP 12 Annex 4
Appointed representative or tied agent - change details

Notification under SUP 12.7.7R (i.e. the form in SUP 12 Ann 4R)

Firm name (i.e. the principal firm)†

("The firm")

Firm reference number*

Address*

NOTES

This form should be used to change the details of an existing appointed representative or tied agent. It is the form required by SUP 12.7.7R which is set out in SUP 12 Ann 4R.

For the purposes of this form, references to 'appointed representative' include 'tied agent' unless the context otherwise requires.

N.B. if all the changes made on the form do not take effect from the same date, you should use more than one form for each set of changes that take effect on the same date.
## Personal Details

<p>| | | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>1</strong> Contact Name for this form (this is not necessarily the same person making the declaration at the end of the form)†</td>
<td>§</td>
<td></td>
</tr>
<tr>
<td><strong>2</strong> Contact's details:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>a.</td>
<td>position in the <em>firm</em>†</td>
<td>§</td>
</tr>
<tr>
<td>b.</td>
<td>daytime telephone number†</td>
<td>§</td>
</tr>
<tr>
<td>c.</td>
<td>e-mail address†</td>
<td></td>
</tr>
<tr>
<td>d.</td>
<td>business address†</td>
<td></td>
</tr>
<tr>
<td>e.</td>
<td>post code†</td>
<td></td>
</tr>
<tr>
<td>f.</td>
<td>mobile phone number†</td>
<td></td>
</tr>
<tr>
<td>g.</td>
<td>fax number§</td>
<td></td>
</tr>
</tbody>
</table>
Change Details of an Existing Appointed Representative  

Section B

What is the name of the appointed representative whose details are to be amended? 

What is this appointed representative's Firm Reference Number?  
(If not known, this can be found on the Financial Services Register on our website at www.fca.org.uk)

Yes

1  a. Do you wish to suspend the appointed representative?

If 'Yes', please give the reasons for this:

If you have any additional information to add to the reason above please attach it to this form.

b. Do you wish to reinstate the appointed representative?

I have supplied further information related to this page in Section 3.

YES  NO
2. Do you wish to change the name of the appointed representative?†

If ‘Yes’, what is the new name of the appointed representative?†

<table>
<thead>
<tr>
<th>New Name</th>
<th>Yes</th>
<th>No</th>
</tr>
</thead>
<tbody>
<tr>
<td>$</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

3a. Do you wish to change the legal status of the appointed representative?†

If ‘Yes’, what is the new legal status of the appointed representative?†

<table>
<thead>
<tr>
<th>Legal Status</th>
<th>Yes</th>
<th>No</th>
<th>N/A</th>
</tr>
</thead>
<tbody>
<tr>
<td>Private limited company</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Public limited company</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Partnership</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>Limited partnership</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>Limited liability partnership</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Unincorporated association</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sole trader</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other, please specify below</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

3b. Has the name change been approved by Companies House?†

<table>
<thead>
<tr>
<th>Approval</th>
<th>Yes</th>
<th>No</th>
<th>N/A</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

N.B. If the appointed representative is a UK registered company or LLP, the name of the appointed representative can only be changed if the change has already been approved by Companies House.

4. Do you wish to change the address of the appointed representative?†

If ‘Yes’, please enter the new address:†

<table>
<thead>
<tr>
<th>Address</th>
<th>Postcode</th>
</tr>
</thead>
<tbody>
<tr>
<td>§</td>
<td></td>
</tr>
</tbody>
</table>

† These questions should be completed whether submission of this form is online or in one of the other ways set out in SUP 15.7
‡ These questions are not applicable to introducer appointed representatives
5 Do you wish to change the trading name(s) of the appointed representative? †

Yes

If ‘Yes’, please provide details below. If you wish to amend a trading name please enter the name to be deleted in the box on the left and add the new one in the box on the right.

Please detail the trading name(s) to be deleted below: †

Please detail the trading name(s) to be added below: †

6 Do you wish to change the telephone number of the appointed representative? †

Yes

If ‘Yes’, please enter the new telephone number: † §

7 Do you wish to change the fax number of the appointed representative? †

Yes

If ‘Yes’, please enter the new fax number: † §

8 Do you wish to change the E-mail address of the appointed representative? †

Yes

If ‘Yes’, please enter the new e-mail address † §

9 Do you wish to change the website address of the appointed representative? †

Yes

If ‘Yes’, please enter the new website address: † §

40 Is the appointed representative currently an introducer appointed representative? †

Yes No

Do you wish to change this? If ‘Yes’, please provide details below: †

44 Do you wish to change the details of the Main Contact for the Financial Services Register for this appointed representative? †

Yes No

If ‘Yes’, please give the new details: Title †
Forename(s) †
<p>| | | | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>12</td>
<td>Does the appointed representative undertake home finance activities?</td>
<td>Yes</td>
<td>No</td>
</tr>
<tr>
<td></td>
<td>Do you wish to change this? If ‘Yes’, please provide details below:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>12A</td>
<td>Does the appointed representative undertake consumer buy-to-let mortgage business?</td>
<td>Yes</td>
<td>No</td>
</tr>
<tr>
<td></td>
<td>Do you wish to change this? If ‘Yes’, please provide details below:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>13</td>
<td>Does the appointed representative undertake designated investment business activities?</td>
<td>Yes</td>
<td>No</td>
</tr>
<tr>
<td></td>
<td>Do you wish to change this? If ‘Yes’, please provide details below:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>13A</td>
<td>Does the appointed representative undertake credit-related regulated activities?</td>
<td>Yes</td>
<td>No</td>
</tr>
<tr>
<td></td>
<td>Do you wish to change this? If ‘Yes’, please provide details below:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>13B</td>
<td>Will the appointed representative undertake structured deposit related regulated activities?</td>
<td>Yes</td>
<td>No</td>
</tr>
<tr>
<td></td>
<td>Do you wish to change this? If ‘Yes’, please provide details below:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>13C</td>
<td>Does the appointed representative undertake funeral plan distribution?</td>
<td>Yes</td>
<td>No</td>
</tr>
<tr>
<td></td>
<td>Do you wish to change this? If ‘Yes’, please provide details below:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>14</td>
<td>Is the change in respect of an appointed representative who is carrying on or proposes to carry on insurance distribution activities or a tied agent?</td>
<td>Yes</td>
<td>No</td>
</tr>
<tr>
<td></td>
<td>If so please provide details below:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>15</td>
<td>Please enter the date on which these changes take effect:</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

† §
11 Is the appointed representative currently part of a group? 

Yes ☐ No ☐

Do you wish to change this? If ‘Yes’, please provide details below. If the appointed representative was not part of a group and will become part of a group following the change, provide the name(s) and FRN(s) of the parent undertaking(s).

Yes ☐ No ☐

12 Do you wish to change the primary market in which the appointed representative will undertake regulated activity?

Yes ☐ No ☐

12A If ‘Yes’, please enter the new primary market in which the appointed representative will undertake regulated activity:

Credit related regulated activity; Select all that apply below:

- Credit broking ☐
- Operating an electronic system in relation to lending ☐

Other credit-related regulated activity ☐

Insurance distribution activity ☐

Structured deposit regulated activity ☐

Bidding in emissions auctions ☐

Consumer buy-to-let mortgage business ☐

Home finance mediation activity; Select all that apply below:

- (iv) mortgage mediation activity; ☐
- (v) reversion mediation activity; ☐
- (vi) home purchase mediation activity ☐

Designated investment business; Select all that apply below:

- (iv) in connection with managing investments; ☐
- (v) involves advising on pension transfers and pension opt-outs; ☐
- (vi) other designated investment business ☐

Yes ☐ No ☐

13 Do you wish to change the additional markets in which the AR will undertake regulated activities?

Yes ☐ No ☐

13A If ‘Yes’, please select all the markets (other than the primary market) in which the appointed representative will undertake regulated activity, following the change:

1 “Group” has the meaning given in section 421 of the Financial Services and Markets Act 2000 and contained in the Glossary of the FCA Handbook: https://www.handbook.fca.org.uk/handbook/glossary/G486.html


3 The primary market refers to the category of regulated activity from which the largest percentage of the appointed representative’s gross income is derived.
Credit related regulated activity; Select all that apply below:
- Credit broking
- Other credit-related regulated activity

Insurance distribution activity
- Structured deposit regulated activity
- Bidding in emissions auctions

Consumer buy-to-let mortgage business

Designated investment business; Select all that apply below:
- (i) in connection with managing investments;
- (ii) involves advising on pension transfers and pension opt-outs;
- (iii) other designated investment business

Yes No

13B Do you wish to change whether the appointed representative is a tied agent? If ‘Yes’, please respond to the question below.

13C Will the appointed representative be a tied agent following the change?

Yes No

14 Do you wish to change whether the appointed representative provides services to retail clients? If ‘Yes’, please respond to the question below.

14A Will the appointed representative provide services to retail clients following the change?

Yes No

15 Do you wish to change whether the appointed representative conducts any non-regulated activities?

15A Will the appointed representative conduct any non-regulated activities following the change?

15B If question 15A is answered “yes”, will the non-regulated activity include non-regulated financial services activities?

---

4 In this form, ‘non-regulated activity’ means activity that is not a regulated activity.

5 In this form, ‘non-regulated financial services activities’ refers to any activity of a financial nature but that does not involve the person carrying on regulated activity. This includes, but is not limited to, activities relating to investment services: insurance; pensions; banking; lending (including consumer credit, mortgages, factoring, financing of commercial transactions); financial leasing; money transmission; payments; guarantees and commitments; foreign exchange; the issuance of securities and other service of a corporate finance nature; custodial, depositary and trust services; and financial information and data services.
If question 15B is answered “yes”, you must also answer question 16B.

<table>
<thead>
<tr>
<th>16</th>
<th>Do you wish to change the nature of the non-regulated business the appointed representative will conduct following the change?† §</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes</td>
<td>No</td>
</tr>
</tbody>
</table>

| 16A | Does the non-regulated activity include non-regulated financial services activities?§ † |
| Yes| No                                                                                                               |

| 16B | If questions 15B or 16A are answered “yes”, what is the non-regulated financial services activity? † § |
| Yes| No                                                                                                               |

| 17 | Are any individuals from the appointed representative currently seconded or contracted to the principal firm to carry on portfolio management / dealing activities? † § |
| Yes| No                                                                                                               |

| 17A | Will any individuals from the appointed representative be seconded or contracted to the principal firm to carry on portfolio management / dealing activities following the change? † § |
| Yes| No                                                                                                               |

| 18 | Do you wish to change the primary reason for the principal’s appointment of the appointed representative?† |
| Yes| No                                                                                                               |

| 18A | What is the primary reason for the principal’s appointment of the appointed representative?† |
| Distribution of products/services | Acquisition of an appointed representative / restructuring of business |
| Investment adviser to fund managed by principal/connected firm | Introductions/capital raising for principal’s business |
| Hosting/compliance services/incubation | Other |

If other, provide details

| 19 | Does the appointed representative currently pay the principal firm for services received?† |
| Yes| No                                                                                                               |

| 19A | Do you wish to change this? † |
| Yes| No                                                                                                               |

| 19B | If the appointed representative did not pay the principal for services before and will pay following the change; indicate which services the appointed representative will pay the principal firm for following the change: † |
| Commission§ | Compliance services§ |
| IT services§ | Regulatory hosting services |

---

6 Most commission is paid by the principal firm to appointed representatives. This question asks about payments the appointed representative makes to the principal firm. Select this option if the appointed representative will make commission payments to the principal.

7 Fees the appointed representative will pay the principal for providing them or assisting them with compliance.

8 Payments the appointed representative will make to the principal for use of IT systems, including licences.
Any other fees

If other, provide details

19C Please provide any additional information about the financial relationship between the appointed representative and the principal considered relevant (including if the appointed representative did pay the principal for services before and will not pay following the change):

20 Please enter the date on which these changes take effect.

---

9 Principals can use this text box to explain the nature of the financial relationship between themselves and the appointed representative. This could include, for example, explanations of payments made by the appointed representative to the principal, or by the principal to the appointed representative. It can also be used to explain the financial arrangement if no money is paid.
3.01 Is there any other information the approved person or the firm considers to be relevant to the application? †

Yes

No

If so, please provide full details†

3.02 Please indicate clearly which question the supplementary information relates to. †

<table>
<thead>
<tr>
<th>Question</th>
<th>Information</th>
</tr>
</thead>
</table>

3.03 How many additional sheets are being submitted? †
Supporting Documents

Indicate the required supporting documents to accompany this form†.

<table>
<thead>
<tr>
<th>Documents</th>
<th>Mode (Send by email, Post, or Fax)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Other information (please specify)†:

Declaration and signature Section C

Warning†
Knowingly or recklessly giving the FCA information, which is false or misleading in a material particular, may be a criminal offence (sections 398 and 400 of the Financial Services and Markets Act 2000). SUP 15.6.4R requires an authorised person to take reasonable steps to ensure the accuracy and completeness of information given to the FCA and to notify the FCA immediately if materially inaccurate information has been provided. Contravention of these requirements may lead to disciplinary sanctions or other enforcement action by the FCA. It should not be assumed that information is known to the FCA merely because it is in the public domain or has previously been disclosed to the FCA or another regulatory body. If you are not sure whether a piece of information is relevant, please include it anyway.

Data Protection†
For the purposes of complying with the Data Protection Act, the personal information in this form will be used by the FCA to discharge its statutory functions under the Financial Services and Markets Act 2000 and other relevant legislation. It will not be disclosed for any other purposes without the permission of the applicant.

Some questions do not require supporting evidence. However, the records, which demonstrate the applicant firm’s compliance with the rules in relation to the questions, must be available to the FCA on request.

Declaration†
By submitting this notification:
• I/we confirm that this information is accurate and complete to the best of my knowledge and belief and that I have taken all reasonable steps to ensure that this is the case.
• I am/we are aware that it is a criminal offence knowingly or recklessly to give the FCA information that is false or misleading in a material particular.
• I/we will notify the FCA immediately if there is a significant change to the information given in the form. If I/we fail to do so, this may result in a delay in the application process or enforcement action.

Signature†

Name of signatory†.

Date†

Position in firm†
Individual Reference Number (if applicable)†

☐ Tick here to confirm you have read and understood this declaration:
After SUP 12 Annex 5 (Appointed representative termination form), insert the following new annexes. All the text is new and not underlined.

12 Annex 6R  

**On-going reporting by principal firms on their appointed representatives**

[Editor’s note: the form can be found at this address:  
https://www.fca.org.uk/publication/forms/[xxx]]
On-going reporting by principal firms on their appointed representatives

Reporting under SUP 12.7.9DR (i.e. the form in SUP 12 Ann 6)

Firm name (i.e. the principal firm) †

("The firm")

Firm reference number§

Address§

Please return the form to:
Financial Conduct Authority
12 Endeavour Square
London, E20 1JN
United Kingdom
Telephone  +44 (0) 300 500 0597
Facsimile  +44 (0) 207 066 0017
E-mail  iva@fca.org.uk
Website  http://www.fca.org.uk

Registered as a Limited Company in England and Wales No 1920623. Registered Office as above.

† These questions should be completed whether submission of this form is online or in one of the other ways set out in SUP 15.7
§ These questions should only be completed if the form is being submitted in one of the ways set out in SUP 15.7 other than online submission. It should not be completed if the submission of this form is online
¶ Denotes a mandatory field
This form should be used by a principal firm to report to the FCA on complaints made against its appointed representatives, and on the revenue of its appointed representatives. It should also be used to report on funds exchanged between the principal and the appointed representative. Principals should use this form to report these data for all of their appointed representatives. The relevant reporting period is the 12 months immediately following a firm’s accounting reference date. This report is in addition to any other reporting requirements for firms. It is the form required by SUP 12.7.9DR which is set out in SUP 12 Ann 6.

For the purposes of this form, references to ‘appointed representative’ include ‘tied agent’ unless the context otherwise requires.

### Contact Details

<table>
<thead>
<tr>
<th></th>
<th>Contact name for this form (this is not necessarily the same person making the declaration at the end of the form)†</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>$ Title</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>Contact's details:</th>
</tr>
</thead>
<tbody>
<tr>
<td>a</td>
<td>Job title†</td>
</tr>
<tr>
<td>b</td>
<td>daytime telephone number†</td>
</tr>
<tr>
<td>c</td>
<td>e-mail address†</td>
</tr>
<tr>
<td>d</td>
<td>business address†</td>
</tr>
<tr>
<td>e</td>
<td>post code†</td>
</tr>
</tbody>
</table>

† This form is required by SUP 12.7.9DR which is set out in SUP 12 Ann 6.
## Complaints made against appointed representatives

Section B

Complete the table below for each of your appointed representatives, including introducer appointed representatives.
If there have been no complaints against an appointed representative in the relevant period, there is no need to include that appointed representative in the report.

<table>
<thead>
<tr>
<th>#</th>
<th>Name of the appointed representative</th>
<th>Appointed representative FRN</th>
<th>Number of complaints opened against the appointed representative in the relevant period</th>
<th>Total number of complaints closed in the relevant period</th>
<th>Total number of complaints upheld in the relevant period</th>
<th>Total redress paid (single units) in the relevant period</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
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</tbody>
</table>

## Appointed representatives' revenue

Section C

Complete the table below for each of your appointed representatives, including introducer appointed representatives, for the relevant period.

<table>
<thead>
<tr>
<th>#</th>
<th>Name of the appointed representative</th>
<th>Appointed representative FRN</th>
<th>Total regulated business revenue</th>
<th>Revenue generated by financial non-regulated activities</th>
<th>Revenue generated by non-financial non-regulated activities</th>
<th>If no regulated business revenue is reported for the appointed representative, provide a brief explanation</th>
<th>Total remuneration or financial benefit the principal firm received from the appointed representative</th>
<th>Total remuneration or financial benefit received from the principal</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
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</tbody>
</table>
1 Figure to be provided to the nearest £5,000.

2 In this form, 'non-regulated activity' means activity that is not a regulated activity.

3 In this form, 'non-regulated financial services activities' refers to any activity of a financial nature but that does not involve the person carrying on regulated activity. This includes, but is not limited to, activities relating to investment services; insurance; pensions; banking; lending (including consumer credit, mortgages, factoring, financing of commercial transactions); financial leasing; money transmission; payments; guarantees and commitments; foreign exchange; the issuance of securities and other service of a corporate finance nature; custodial, depository and trust services; and financial information and data services.

4 Where the appointed representative has more than one principal, to be completed by the ‘lead-principal’ (see SUP 12.4.5DG).
<table>
<thead>
<tr>
<th>&lt;£10m</th>
<th>≥£10m and &lt;£50m</th>
<th>≥£50m and &lt;£100m</th>
<th>≥£100m and &lt;£500m</th>
<th>≥£500m</th>
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<td>≥£0 and &lt;£100k</td>
<td>≥£100k and &lt;£250k</td>
<td>≥£250k and &lt;£1m</td>
<td>≥£1m and &lt;£10m</td>
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<td>≥£10m and &lt;£50m</td>
<td>≥£50m and &lt;£100m</td>
<td>≥£100m and &lt;£500m</td>
<td>≥£500m</td>
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</tbody>
</table>
Declaration and signatures

Warning

Knowingly or recklessly giving the FCA information, which is false or misleading in a material particular, may be a criminal offence (sections 398 and 400 of the Financial Services and Markets Act 2000).

SUP 15.6.4R requires an authorised person to take reasonable steps to ensure the accuracy and completeness of information given to the FCA and to notify the FCA immediately if materially inaccurate information has been provided.

Contravention of these requirements may lead to disciplinary sanctions or other enforcement action by the Appropriate Regulator.

It should not be assumed that information is known to the FCA merely because it is in the public domain or has previously been disclosed to the FCA or another regulatory body. If you are not sure whether a piece of information is relevant, please include it anyway.

Data Protection

For the purposes of complying with the Data Protection Act, the personal information in this form will be used by the FCA to discharge its statutory functions under the Financial Services and Markets Act 2000 and other relevant legislation. It will not be disclosed for any other purposes without the permission of the applicant.

Review and submission

The ability to submit this form is given to an appropriate user or users by the firm's principal compliance contact.

Some questions do not require supporting evidence. However, the records, which demonstrate the applicant firm's compliance with the rules in relation to the questions, must be available to the FCA on request.

Declaration

By submitting this notification:

- I/we confirm that this information is accurate and complete to the best of my knowledge and belief and that I have taken all reasonable steps to ensure that this is the case.

- I/we confirm that I/we have complied with all of my/our regulatory obligations as a principal, including those contained in the Financial Services and Markets Act 2000 and SUP 12.

- I am/we are aware that it is a criminal offence knowingly or recklessly to give the FCA information that is false or misleading in a material particular.

- I/we will notify the FCA immediately if there is a significant change to the information given in the form. If I/we fail to do so, this may result in a delay in the application process or enforcement action.

☐ [In the online form] Tick here to confirm that the person submitting this Form on behalf of the Firm and (if applicable) the individual named below – have read and understood the declaration.

Signature

☐ I confirm that a permanent copy of this Form, signed by myself and the signatories, will be retained for an appropriate period, for inspection at the FCA/PRA’s request.
12 Annex 7G Guidance on steps to be taken where relevant conditions are not satisfied

---

*These questions should only be completed if the form is being submitted in one of the ways set out in SUP 15.7 other than online submission. It should not be completed if the submission of this form is online.*
Amend the following text as shown.

15 Notifications to the FCA

...

15.3 General notification requirements

...

Communication with the appropriate regulator in accordance with Principle 11

15.3.7 Principle 11 requires a firm to deal with its regulators in an open and cooperative way and to disclose to the FCA appropriately anything relating to the firm of which the FCA would reasonably expect notice. Principle 11 applies to unregulated activities as well as regulated activities and takes into account the activities of other members of a group as well as any appointed representatives.

...

15.3.8 Compliance with Principle 11 includes, but is not limited to, giving the FCA notice of:

...

(2) any significant failure in the firm’s systems or controls, including, but not limited to:

(a) those reported to the firm by the firm’s auditor;

(b) those relating to the firm’s oversight of its appointed representatives;

...

16 Reporting requirements

16.1 Application

...

Application of different sections of SUP 16 (excluding SUP 16.13, SUP 16.15, SUP 16.22 and SUP 16.26)

16.1.3 Application of different sections of SUP 16 (excluding SUP 16.13, SUP 16.15, SUP 16.22 and SUP 16.26)
16.3 General provisions on reporting

Structure of the chapter

16.3.2 G This chapter has been split into the following sections, covering:

(6) annual appointed representatives reports (SUP 16.9) [deleted];

16.3.3 G The annual controllers, annual close links, and persistency and annual appointed representatives reports sections are the same for all categories of firm to which they apply.

16.10 Verification of firm details

Requirement to check the accuracy of firm details and to report changes to the FCA

16.10.4 R …

(3) If any firm details are incorrect, the firm must submit the corrected firm details to the FCA using:
(a) the appropriate form set out in SUP 15 Ann 3 and in accordance with SUP 16.10.4AR; or

(b) where the relevant details relate to an appointed representative of the firm:

(i) the form in SUP 12 Ann 3 (Appointed representative appointment) if the appointed representative is not included on the Financial Services Register;

(ii) the form in SUP 12 Ann 4 (Appointed representative or tied agent – change details) if the details about an appointed representative on the Financial Services Register are incorrect; or

(iii) the form in SUP 12 Ann 5 (Appointed representative termination) if a relationship with an appointed representative has been terminated but this is not reflected on the Financial Services Register, in accordance with the applicable rules in SUP 12.7 (Notification and reporting requirements) or SUP 12.8 (Termination of a relationship with an appointed representative or FCA registered tied agent).

16 Annex 16A Firm details (See SUP 16.10.4R)

16 Annex 16A.1 R …

B: Information about a firm and its appointed representatives on the Financial Services Register

8A. Information about any appointed representative of the firm …

16 Annex 18B Notes for Completion of the Retail Mediation Activities Return

…

Section H Conduct of Business (‘COBS’) Data …
Before a firm appoints a person as an appointed representative, and afterwards on a continuing basis, it should take reasonable care to ensure that:

(1) the appointment does not prevent the firm from satisfying and continuing to satisfy the threshold conditions;

(2) the person:
   (a) is solvent;
   (b) is suitable to act for the firm in that capacity; and
   (c) has no close links which would be likely to prevent the effective supervision of the person by the firm; and

(3) the firm has adequate:
   (a) controls over the person's regulated activities for which the firm has responsibility (see SYSC 3.1); and
   (b) resources to monitor and enforce compliance by the person with the relevant requirements applying to the regulated activities for which the firm is responsible and with which the person is required to comply under its contract with the firm. Accordingly, firms are required to monitor and oversee the activities of their ARs. It is the firm's responsibility to be able to demonstrate that it has adequate procedures and resources in place to monitor these activities;

(4) the firm is ready and organised to comply with the other applicable requirements contained or referred to in SUP 12; and

(5) the person's activities do not, or would not, result in undue risk of harm to consumers or market integrity.

…

Insert the following new TP 13 after SUP TP 12 (Transitional provisions relating to tied agents). The text is not underlined.

**TP 13  Transitional provisions relating to appointed representatives**

<table>
<thead>
<tr>
<th>(1)</th>
<th>(2)</th>
<th>(3)</th>
<th>(4)</th>
<th>(5)</th>
<th>(6)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Material to which the transitional provision applies</td>
<td>Transitional provision</td>
<td>Contract terms enabling</td>
<td>Transitional provision: dates in force</td>
<td>Handbook provision: coming into force</td>
<td></td>
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<tr>
<td></td>
<td></td>
<td></td>
<td>termination</td>
<td></td>
<td></td>
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<td>-------------</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
| 1 | **SUP 12.5.5R(4)** | R | (1) This transitional provision applies to a *firm* in respect of those contracts with *appointed representatives* which are in effect on 8 December 2022.  
(2) **SUP 12.5.5R(4)** does not apply to a written contract in (1).  
(3) A *firm* must amend a contract in (1) to comply with **SUP 12.5.5R(4)** at the first point at which the contract is subject to renewal or revision following 8 December 2022. |
|   |   |   | From 8 December 2022 |
|   |   |   | 8 December 2022 |
| 2 | **SUP 12.6A.2R** | R | (1) This transitional provision applies to a *firm* with one or more *appointed representatives* on 8 December 2022.  
(2) The *firm* must complete its first review of the *appointed representatives* in (1) for the purposes of **SUP 12.6A.2R** on or before 30 November 2023. |
|   |   |   | From 8 December 2022 to 30 November 2023 |
|   |   |   | 8 December 2022 |
| 3 | **SUP 12.6A.6R** | R | (1) This transitional provision applies to a *firm* with one or more *appointed representatives* on 8 December 2022.  
(2) The *governing body* of the *firm* must approve the *firm’s* first self-assessment *document* on |
|   |   |   | From 8 December 2022 to 30 November 2023 |
|   |   |   | 8 December 2022 |
### 4  SUP 12.7.9DR R

| (1) This transitional provision applies to a **firm** with one or more **appointed representatives**.  
(2) A **firm** is not required to submit the form in **SUP 12 Annex 6** in respect of its **accounting reference date** falling before 1 December 2023.  
From 8 December 2022 to 30 November 2023  
8 December 2022 |

### Verification of firm details

### 5  SUP 16.10.4R R

| (1) This transitional provision applies to a **firm** with one or more **appointed representatives** on 8 December 2022.  
(2) A **firm** must undertake its first check of the accuracy of information about its **appointed representatives** when complying with **SUP 16.10.4R** in respect of its first **accounting reference date** falling on or after 1 December 2023.  
From 8 December 2022 to 30 November 2023  
1 April 2005 |

Amend the following text as shown.

**Schedule  Record keeping requirements**

1  

...
<table>
<thead>
<tr>
<th>Handbook reference</th>
<th>Subject of record</th>
<th>Contents of record</th>
<th>When record must be made</th>
<th>Retention period</th>
</tr>
</thead>
<tbody>
<tr>
<td>SUP 4.3.17R(3)</td>
<td>…</td>
<td>…</td>
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<td>SUP 12.6A.4R</td>
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<td>Written record</td>
<td>Following each review</td>
<td>6 years from</td>
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<td></td>
<td>representatives</td>
<td>of each review</td>
<td>undertaken for the</td>
<td>date of review</td>
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<td>purposes of SUP 12.6A.2R</td>
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<td></td>
<td>or SUP 12.6A.3R</td>
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<tr>
<td>SUP 12.6A.8R</td>
<td>Appointed</td>
<td>Copy of each</td>
<td>Following approval by</td>
<td>6 years from</td>
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<td>approved self-</td>
<td>the firm’s governing</td>
<td>date of approval</td>
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<tr>
<td>SUP 12.9.1R, SUP</td>
<td>…</td>
<td>…</td>
<td>…</td>
<td>…</td>
</tr>
<tr>
<td>12.9.2R</td>
<td></td>
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