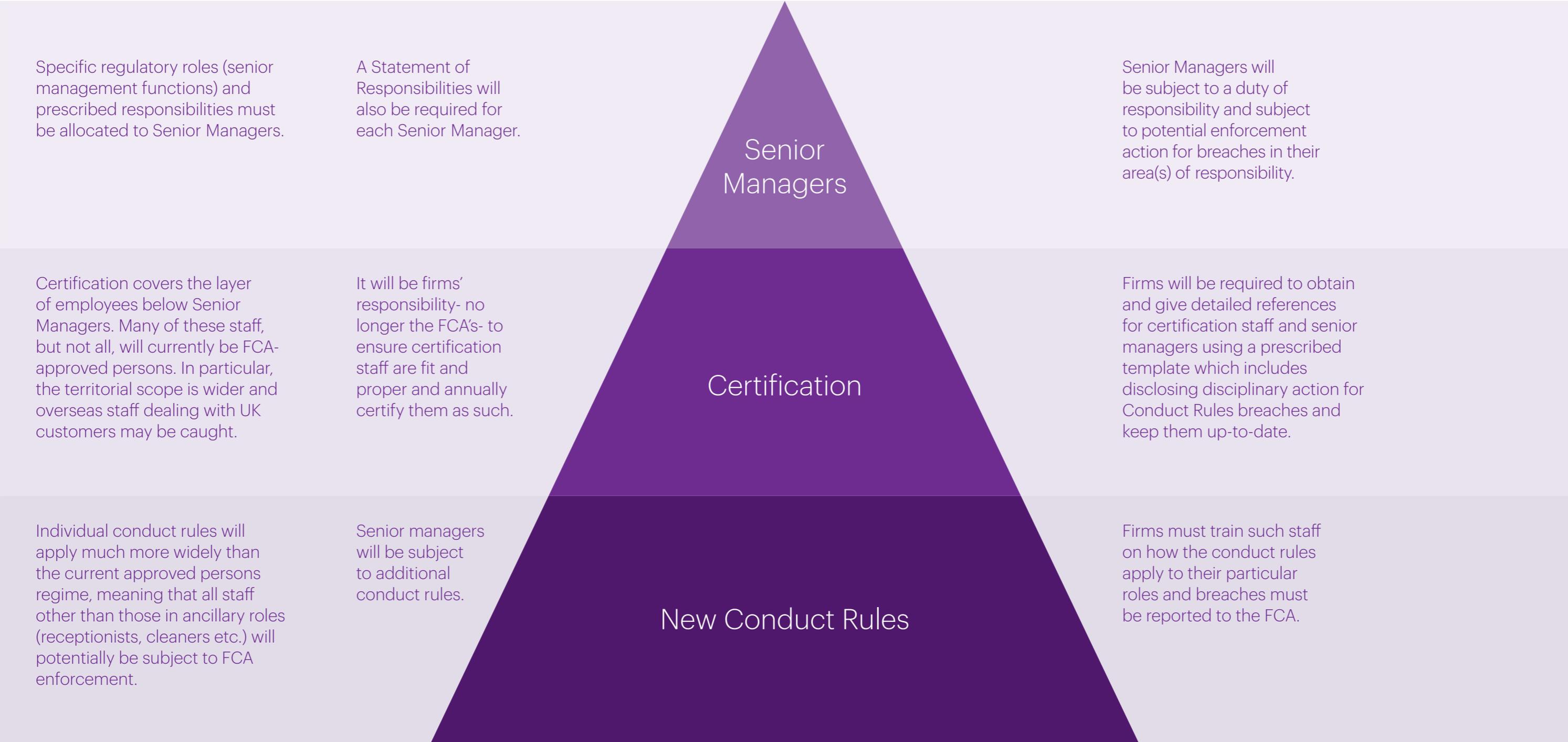


Key components of the core regime



Specific regulatory roles (senior management functions) and prescribed responsibilities must be allocated to Senior Managers.

A Statement of Responsibilities will also be required for each Senior Manager.

Senior Managers will be subject to a duty of responsibility and subject to potential enforcement action for breaches in their area(s) of responsibility.

Senior Managers

Certification covers the layer of employees below Senior Managers. Many of these staff, but not all, will currently be FCA-approved persons. In particular, the territorial scope is wider and overseas staff dealing with UK customers may be caught.

It will be firms' responsibility- no longer the FCA's- to ensure certification staff are fit and proper and annually certify them as such.

Firms will be required to obtain and give detailed references for certification staff and senior managers using a prescribed template which includes disclosing disciplinary action for Conduct Rules breaches and keep them up-to-date.

Certification

Individual conduct rules will apply much more widely than the current approved persons regime, meaning that all staff other than those in ancillary roles (receptionists, cleaners etc.) will potentially be subject to FCA enforcement.

Senior managers will be subject to additional conduct rules.

Firms must train such staff on how the conduct rules apply to their particular roles and breaches must be reported to the FCA.

New Conduct Rules