

Table of Contents

1	Introduction.....	10
1.1	Purpose & Scope of the Manual.....	10
1.1	Responsibility for the Manual	11
2	Regulatory Framework.....	12
2.1	Introduction to the FCA	12
2.2	Financial Services Regulatory Framework.....	12
2.2.1	FCA's Objectives	12
2.2.2	FCA Handbook Overview	13
3	General Compliance.....	14
3.1	Introduction.....	14
3.2	Scope of Your Business	14
3.3	Regulatory Business Plan.....	14
3.3.1	Organisational Chart	14
3.4	Status Disclosure Statement.....	15
3.5	Compliance Statement	15
3.5.1	Compliance Monitoring Program.....	15
3.6	Compliance Officer	15
3.7	Compliance Policy.....	16
3.8	General Organisational Requirements	19
3.8.1	Business Continuity	20
3.8.2	Breach Notifications.....	21
3.9	Compliance Breach Policy & Procedure	22
3.9.1	Breach Incident Form	30
3.10	Internal Audits	30
3.11	Audit & Monitoring Policy & Procedures.....	30
3.12	Quality Assurance & Performance Policy & Procedures.....	40
4	Recruitment, Induction & Training.....	45
4.1	Introduction.....	45
4.1.1	Competence	45
4.1.2	Supervisors.....	46
4.2	Recruitment & Induction	46
4.3	Employee Training & Assessment.....	46
5	Principles for Business (PRIN).....	48
5.1	Introduction.....	48
5.2	The Principles	48
5.2.1	Our Approach to PRIN.....	49
6	Conduct of Business (COBS).....	50
6.1	Introduction.....	50

6.2	Conduct of Business Obligations (COBS 2)	50
6.2.1	Conduct of Business Policy	50
6.3	Client Categorisation (COBS 3)	58
6.3.1	Client Categorisation Policy	58
6.4	Client Agreements (COBS 8)	68
6.4.1	Record Keeping for Client Agreements	69
6.5	Providing Product Information to Clients (COBS 14)	69
7	Senior Management Arrangements, Systems & Controls (SYSC)	72
7.1	Introduction	72
7.2	Risk Management	72
7.2.1	Risk Management Policy & Procedures	73
7.2.2	Risk Mitigating Action Plan	73
7.2.3	Risk Register	73
7.3	Outsourcing	73
7.3.1	General Requirements	73
7.3.2	Introducer/Lead Generator Agreement	74
7.4	Outsourcing & Supplier Policy & Procedures	74
7.4.1	Outsourced Functions Register	84
7.5	Record Keeping	84
7.5.1	Guidance on Record Keeping	84
7.5.2	Meeting Minutes Template	84
7.6	Records Management Policy	85
7.7	Change Management Policy	87
7.7.1	Change Request Form	94
7.7.2	Change Management Register	94
7.8	Conflict of Interest	94
7.8.1	Chinese Walls	95
7.9	Conflict of Interest Policy	95
7.9.1	Conflict of Interest Register	99
7.9.2	INSERT: Conflict of Interest Procedures	99
7.10	Whistleblowing	99
7.10.1	Public Interest Disclosure Act	100
7.11	Whistleblowing Policy & Procedures	100
7.11.1	Whistleblowing Complaint Form	105
7.12	Remuneration	105
7.12.1	FCA Remuneration Code Principles	106
7.13	Remuneration Policy	107
7.13.1	INSERT: Remuneration Procedures	108
8	Senior Management & Certification Regime (SMCR)	109
8.1	SMCR Compliance Program (external)	109

8.2	Conduct Rules (COCON)	110
8.2.1	Introduction	110
8.2.2	Conduct Rules	110
8.2.2.1	Conduct Tiers	110
8.2.3	Conduct Rules Breach Reporting	111
8.2.4	Conduct Rules Training	111
9	Data Protection & Information Security	113
9.1	Data Protection	113
9.1.1	General Data Protection Regulation (UK GDPR)	113
9.1.2	The Data Protection Principles	114
9.2	Data Protection Compliance Program (external)	115
9.3	Privacy & Electronic Communications Regulations	115
9.4	Information Security (external)	116
9.5	PCI Compliance	116
10	Financial Crime & AML	117
10.1	Introduction	117
10.1.1	Proceeds of Crime Act	118
10.2	Money Laundering Reporting Officer (MLRO)	118
10.2.1	MLRO Annual Report	119
10.2.2	National Crime Agency (NCA)	119
10.2.3	The Financial Action Task Force (FATF)	119
10.3	AML Measures & Controls	120
10.3.1	Introduction	120
10.3.2	Anti-Money Laundering Audit	120
10.4	Anti-Money Laundering Program (external)	121
11	Know Your Customer & Due Diligence	122
11.1	Introduction	122
11.1.1	Know Your Customer Controls	122
11.1.2	Enhanced Due Diligence	123
11.1.3	Politically Exposed Persons (PEPs)	123
11.1.4	Cross-Border Due Diligence	124
11.1.5	Non-UK Country AML Requirements	124
11.2	Due Diligence Compliance Program (external)	125
12	Market Abuse	126
12.1	Introduction	126
12.1.1	Suspicious Transaction or Order Report (STOR) Form	126
12.1.2	Insider List Template	126
13	Threshold Conditions (COND)	127
13.1	Introduction	127
13.1.1	Location of Offices	127

13.1.2	Effective Supervision	127
13.1.3	Appropriate Resources.....	128
13.1.4	Suitability.....	128
13.1.5	Business Model	128
13.2	Threshold Conditions Policy & Controls	129
14	Responsibilities to Customers.....	138
14.1	Treating Customers Fairly (TCF)	138
14.1.1	What is TCF?.....	138
14.1.2	Expectations of Firms	139
14.1.3	Six TCF Outcomes	139
14.2	Treating Customers Fairly Policy	139
14.3	Treating Customers Fairly Audit.....	140
14.4	Vulnerable Customers.....	140
14.4.1	Approach to Vulnerable Customers	140
14.4.2	Identifying Vulnerable Customers.....	141
14.4.3	Debt & Mental Health – MALG	141
14.4.4	Debt & Mental Health Evidence Form (DMHEF).....	142
14.5	Vulnerable Customers Policy & Procedures.....	142
14.6	Vulnerable Customer Audit.....	142
15	General Provisions (GEN)	143
15.1	Introduction	143
15.2	Statutory Disclosure Status.....	143
15.2.1	Additional Disclosure Requirements.....	143
15.2.2	General Disclosure Notes	144
15.2.3	Insurance against Penalties	145
15.3	Consumer Call Charges Rules.....	145
15.4	Appointed Representative (AR) Principal Requirements.....	146
15.4.1	Due Diligence for Appointing AR.....	147
15.5	Appointed Representatives (SUP 12).....	148
15.5.1	Appointed Representative Monitoring Procedures	149
15.5.2	Insert: Appointed Representative Agreement	151
15.5.3	Insert: Appointed Representative On-boarding Procedures.....	151
16	Supervision (SUP)	152
16.1	Introduction	152
16.2	General Guidance	153
16.3	Reports by Skilled Persons	153
16.4	Notifications to the FCA.....	153
16.5	Reporting Requirements.....	154
16.5.1	Internal Reports	154
16.6	Management Information Policy	154

16.6.1	FCA Reports	158
16.6.2	Compliance Reporting.....	158
17	Decision Procedure and Penalties (DEPP)	159
17.1	Introduction	159
17.2	Penalties.....	159
18	Dispute Resolution: Complaints (DISP)	160
18.1	Introduction	160
18.1.1	Financial Ombudsman Service (FoS).....	160
18.2	Complaint Handling Program.....	161
19	Consumer Credit Sourcebook (CONC)	162
19.1	Introduction	162
19.2	Guidance on Financial Difficulties.....	162
19.2.1	Financial Difficulties Policy	163
19.2.2	Affordability Assessment Calculator	169
19.3	General Principles for Credit-Regulated Activities.....	169
19.3.1	Credit Broking.....	169
19.3.2	Credit References	170
19.3.3	Credit Broker Refunds	170
19.3.4	Transparency of Status	171
19.3.5	Disclosure of Commission and Fees.....	171
19.3.6	INSERT: Services and Costs Disclosure Document	171
19.4	Lenders.....	171
19.4.1	General Conduct	171
19.4.2	Provision of Credit Card Cheques.....	172
19.4.3	Credit References	172
19.5	Responsible Lending Policy.....	172
19.6	Affordability & Creditworthiness Policy & Procedures.....	176
19.6.1	Income & Expenditure Form	183
19.7	Debt Counselling, Adjusting and Credit Information Services.....	183
19.8	Distance Marketing	184
19.8.1	Distance Marketing Policy	186
19.8.2	Distance Marketing Checklist	191
19.9	E-commerce	191
19.9.1	E-Commerce Policy.....	192
19.10	Financial Promotions & Customer Communication	196
19.10.1	Communication & Financial Promotion Checklist.....	196
19.10.2	Financial Promotions & Communication Policy	196
19.10.3	Financial Promotion Statement Templates	205
19.11	Pre-Contractual Requirements	205
19.11.1	Pre-Contract Disclosure Policy.....	205

19.11.2	European Standardised Information Sheet (ESIS)	213
19.12	Commissions	213
19.13	Continuous Payment Authorities	213
19.13.1	CPA Policy & Procedures	213
19.14	Post-Contractual Requirements	217
19.14.1	Post-Contract Policy	218
19.15	Cancellation & Refund Policy	224
19.16	Arrears, Default & Recovery	227
19.16.1	Introduction to Arrears	227
19.16.2	Arrears & Default Policy & Procedures	227
19.17	Arrears, Default & Financial Difficulty Audit	234
19.18	Application of Interest & Charges	235
19.19	Communication with Customers	235
19.20	Data Accuracy	236
19.21	Debt Recovery Policy & Procedures	237
19.21.1	Debt Advice	252
19.21.2	Credit Information Services	253
19.22	Debt Management Plans	253
19.22.1	Prudential Rules for Debt Management Firms	254
19.22.2	Debt Advice Policy & Procedures	255
19.23	Credit Reference Agencies	261
19.23.1	Cost Cap for High-Cost Short-Term Credit	262
20	Client Assets (CASS)	264
20.1	CASS Manual & Resolution Pack	264
21	Business Operational Procedures	265
21.1	INSERT: Add Own Procedures Here	265
22	Employee Declaration	266
22.1	Compliance Declaration Form	266

CONTENTS FOR FCA COMPLIANCE MANUAL

Manual Instruction Document & Manual Contents Sheet	
01. FCA Compliance Manual (<i>*see policy inclusion list after contents table</i>)	
02. Manual Supporting Templates	04. Complaint Program
2.1 Affordability Assessment 2.2 Change Management Register 2.3 Change Request Form 2.4 Compliance Breach Incident Form 2.5 Compliance Monitoring Program Template 2.6 Conflict of Interest Register 2.7 Insider List Record 2.8 Introducer Agreement Template 2.9 Illustration Log (<i>*MCOB version only</i>) 2.10 Meeting Minutes Template 2.11 Promotion & Communication Statements 2.12 Outsourced Functions Register 2.13 Regulatory Business Plan 2.14 Risk Mitigating Action Plan Template 2.15 Risk Register Template 2.16 Whistleblower Complaint Form 2.19 STOR Template 2.20 Income & Expenditure Form 2.21 Compliance Monitor Assessment Template	4.1 Complaint Handling Form Template 4.2 Complaint Letter Template Suite 4.3 Complaint Log Template 4.4 Complaint Policy & Procedures 4.4 Complaint Handling Checklist
	05. Compliance Checklists
	5.1 Anti-Money Laundering Checklist 5.2 Arrears Checklist 5.3 Complaint Handling Checklist 5.4 Due Diligence Checklist 5.4 FCA Checklist (<i>Word & Excel</i>) 5.5 Information Security Checklist 5.7 TCF Checklist 5.8 Vulnerable Customers Checklist 5.9 Distance Marketing Checklist 5.10 Checklist Instructions
03. Recruitment & Training	06. Due Diligence Program
Employee Training Folder 3.1 Call Monitoring Form Template 3.2 Employee Training Record Template 3.3 Training Development Log Template 3.4 Training Feedback Form Template 3.5 Skills Gap Analysis Template (<i>Excel</i>) 3.6 Training & Development Policy	6.1 Due Diligence Policy & Procedures 6.2 Due Diligence Questionnaire for Individuals 6.3 Due Diligence Questionnaire for Businesses 6.4 Due Diligence Questionnaire for Suppliers 6.5 Due Diligence Questionnaire for Employees 6.6 Enhanced Due Diligence Assessment 6.6 Due Diligence Checklist 6.7 Client Risk Register
Induction & Recruitment Folder 3.7 Induction Policy 3.8 Recruitment Policy 3.9 Induction Checklist Template 3.10 Job Description Template 3.11 Sample Interview Questions Template	07. CASS
	7.1 CASS 10 Manual 7.2 CASS 10 Resolution Pack 7.3 CASS 11 Manual 7.4 CASS 11 Resolution Pack 7.5 CASS Instruction Sheet

08. SMCR Program	10. Responsibilities to Customers
8.1 SMCR Instruction Sheet	10.1 TCF Policy
8.2 Firm Type Assessment Template	10.2 Vulnerable Customers Policy
8.3 SMCR Policy Document	10.3 TCF Guidance Manual
8.4 Certification Function Certificate Template	
8.5 Statement of Responsibilities Template	11. Risk Management
8.6 FIT Assessment Template	11. Risk Management Policy
8.7 Responsibilities Map Template	11.2 Risk Assessment Template (Word)
8.8 SMF Due Diligence Checklist	11.3 Risk Assessment Template (Excel)
8.10 SMF Due Diligence Questionnaire	11.4 Risk Register Template
8.11 SMF Handover Policy	11.5 Corrective Action Plan Template
8.12 SMF Induction Checklist	
8.13 SMF Prescribed Responsibilities Register	
9. AML Program	12. Market Abuse
9.1 AML Checklist	12.1 Market Abuse Policy
9.2 AML Policy	12.2 Insider List Record Template
9.3 AML Risk Assessment Procedures	12.3 STOR Form Template
9.4 AML Risk Assessment Template (Excel)	
9.5 Anti-Bribery Policy	13. HR Policies
9.6 MLRO Report Template	13.1 Bullying & Harassment Policy
9.7 SAR Template	13.2 Environmental & Sustainability Policy
9.8 Employee Screening Template	13.3 Equal Opportunities Policy
9.9 Tax Evasion Policy	13.4 Equal Pay Policy
9.10 Whistleblowing Policy	13.5 Modern Slavery Policy
9.11 Anti-Fraud Policy	13.6 Slavery & Human Trafficking Statement
9.12 Fraud Response Plan Template	
9.13 Fraud Risk Assessment Procedures	
9.14 Fraud Risk Assessment Template (Excel)	

*Policy Templates Included in Main Manual (and Standalone Folder where applicable)	
Compliance Policy	Appointed Representative Monitoring Procedures
Conduct of Business Policy	Management Information Policy
Compliance Breach Policy & Procedure	Financial Difficulties Policy
Audit & Monitoring Policy & Procedures	Responsible Lending Policy
Quality Assurance Policy & Procedures	Affordability & Creditworthiness Policy
Outsourcing & Supplier Policy & Procedures	Distance Marketing Policy
Records Management Policy	Financial Promotions & Communication Policy
Change Management Policy	Pre-Contract Disclosure Policy
Conflict of Interest Policy	CPA Policy & Procedures
Whistleblowing Policy & Procedures	Post-Contract Policy
Remuneration Policy	Cancellation & Refund Policy
Threshold Conditions Policy & Controls	Arrears & Default Policy & Procedures
Debt Advice Policy & Procedures	Debt Recovery Policy & Procedures
	Advising & Selling Policy (*MCOB version only)

CONTENTS FOR GDPR & INFORMATION SECURITY TOOLKITS

The documents in this list are included in the GDPR versions of the FCA Manual

GDPR BUNDLE

1. Instruction GDPR Bundle
2. Toolkit Guidance Document
3. GDPR Implementation Plan

- 4. GDPR Templates Folder**
 - 4.1 Consent & Withdrawal Templates
 - 4.2 Consent Checklist
 - 4.4 Employee GDPR Communication Summary
 - 4.5 Employee Privacy Notice Template
 - 4.6 GDPR Compliance Statement Template
 - 4.7 Information Audit
 - 4.8 Legitimate Interests Assessment Template
 - 4.9 Privacy Notice Template
 - 4.1 Privacy Notices Register
 - 4.11 Processing Activities Register
 - 4.12 Processor Agreement Template
 - 4.13 Processor Notification Template
 - 4.14 SAR Response Templates

- 5. GDPR Documents Folder**
 - 5.1 Data Breach Incident Form
 - 5.2 Data Breach Policy & Procedures
 - 5.3 Data Protection Policy & Procedures
 - 5.4 Data Retention & Erasure Policy (*inc. Retention Register*)
 - 5.5 Data Protection Officer (DPO) Responsibilities
 - 5.6 International Transfer Policy
 - 5.7 Subject Access Request Procedures
 - 5.8 CCTV Policy

- 6. Checklist & DPIA Folder**
 - 6.1 DPIA Assessment Templates
 - 6.2 GDPR Checklist (Excel)
 - 6.3 GDPR Checklist (Word)
 - 6.4 DPIA Procedure
 - 6.5 CCTV Checklist

- 7. PECR Folder**
 - 7.1 PECR Guidance Document
 - 7.2 Cookie Policy
 - 7.3 Direct Marketing Notice Template
 - 7.4 Direct Marketing Policy

- 7.5 PECR Audit Checklist
- 7.6 PECR Data Breach Incident Form
- 7.7 PECR Electronic Communications Policy
- 7.8 Personal Data Breach Log

INFORMATION SECURITY TOOLKIT

- Information Security Checklist
- Access Control & Password Policy
- Asset Management Policy
- BOYD & Remote Access Policy
- Clear Desk Policy
- Email Usage & Archive Policy
- Information Asset Register
- Information Security Policy
- Secure Disposal Policy
- Anti-Virus & Malware Policy
- Firewall Policy
- Business Continuity Plan Template