

● ● ● Introducer Arrangements

The key pillars of a good governance arrangement for third parties are as follows:

- Clarity of roles and expectations
- Detailed due diligence and on-boarding of third parties
- Proportionate monitoring (routine and thematic) of third party activities that impact on customers and regulatory obligations
- Enhanced mechanisms for training provision of appropriate information for third parties (product and operational information)
- Defined and workable arrangements for ceasing a relationship with a third party

Questions we will put to you with respect of your Introducer and Lead Generator contracts:

1 How and why did you select this Introducer?

- Why is this a good fit for your business?
- What was your due diligence process when signing up this Introducer?

2 How have you confirmed compliance with:

- Money Laundering Regulations 2017
- UK Bribery Act

3 Training and Competence

- How have you assessed their competence for the role?
- What qualifications does your Introducer have? (e.g. CFA, IFA, other? none?)
- What ongoing training in your products will they receive?

4 Is this individual an FCA Approved Person?

- You are not authorised to provide investment advice. If this individual is an advisor s/he requires FCA authorisation.
- Note that IFAs are not allowed to accept commission payments for products they recommend to their advisees.

5 Conditions for remuneration

- When is the commission paid and how is it disclosed to the clients?

6 All marketing material and financial promotions made by this person on your behalf must be reviewed and approved by ShareIn.

- Have you established a process for this?
- Do you know where this individual will be promoting your deals, and to whom?
- How will you record keep any contact they have with potential investors, including tweets they may send, other social media posts, telephone calls that must be recorded to meet MiFID II call recording requirements?

7 Please deliver a copy of the contract you have with this individual/firm.

For further information about the FCA's alert about Introducers and Lead Generators, please see: <https://www.fca.org.uk/news/news-stories/investment-advisers-responsibilities-accepting-business-unauthorised-introducers-lead-generators>

FOR FURTHER INFORMATION PLEASE CONTACT:



+44 (0) 131 641 0018



Compliance@ShareIn.com

Share In Limited is a limited company registered in Scotland (No. SC408803) (FRN: 603332), with registered office at Share In Ltd, 5th Floor, 125 Princes Street, Edinburgh EH2 4AD, United Kingdom.