

FSA AUTHORISATION PROCESS

FLEMING MCGILLIVRAY & CO LTD

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London EC4R 9AY



Four work Streams:

1. Information about company
 - Business Plan
 - Financials
 - Corporate Details
2. Information about Management
3. Information about Controllers
4. Information about outsourced service providers

- Complete FSA forms
- Complete Monitoring Programme
- AML Work
- Draft Prospectus
- Draft Agreement
- Draft SLA from Service Providers
- Signed Undertaking and cheque to FSA

FSA Action

Action Required from Applicant

- | | | |
|-----|--------------------------------------|----------------------|
| 1. | Initial Review within 2/3 weeks | Respond to Questions |
| 2. | Obtain references | Nothing |
| 3. | Process Approved Person Applications | Nothing |
| 4. | Process Controller Applications | Nothing |
| 5. | Review Financial Projections | Nothing |
| 6. | Review Documentation provided | Nothing |
| 7. | Develop additional questions | Respond to questions |
| 8. | Draft paper to management | |
| | – Recommend approval | Nothing |
| | – Recommend turn down | |
| | • Warning notice sent to applicant | Respond |
| 9. | Management Approval | |
| | – Request Capital to be paid in | Pay in Capital |
| 10. | Management Turn Down | Consider Appeal |

1. Finalise all draft documents
2. Promote the new business but not 'hold out' that they have been authorised and can conduct regulated activities
3. Finalise arrangement with third party service providers
4. Develop products to be provided to clients
5. Contact potential clients and keep them informed
 - Have applied to FSA to do the following specific activities
 - Types of clients they will be able to deal with
 - Services to be provided
 - Distribute documents as long as they will only be effective if Firm is authorised.

1. Hold itself out as being authorised to conduct regulated activities
2. Commit to open an Account with a Client
3. Issue a Financial Promotion
4. Approve a Financial Promotion
5. Conduct a regulated activity with a client

Information about Applicant

Name
Address
Telephone Number
Email
Main Contact Name
Type of legal structure
Date of Incorporation
Place of Incorporation
Company Number
Financial Year End

Financial Information

Monthly

- Balance Sheet
- Income Statement
- Cash Flow
- Regulatory Capital

Covering first year after authorisation if profitable or until profitable.

Auditor Information

Name
Individual
Contact Details

Business Plan

- Market
- Clients
- Competition
- Systems & Controls in place
- Regulated Activities

Information about Management and Client facing staff

Need to complete Approved Person Form A for:

www.fsa.gov.uk/pubs/other/ivreg_forms.pdf

- All Directors/ Partners + CV
- Senior Executive Officer + CV
- Compliance Oversight Officer
- Money Laundering Reporting Officer
- Sales Staff
- Dealers
- Investment Managers

Information about Controllers

Controller = 10% or more ownership or Control

Need appropriate form to be completed for the following:

- Corporate Controllers + latest financial statements
- Individual Controllers
- Partnership Controllers + latest Financial statements
- Trust Controllers

Information about Service Providers:

Material Outsourcing Arrangements entered into with:

- Investment Managers
- Trustees
- Custodians
- Third Party Administrators
- Compliance Consultants
- Distributors

- **FSA:**
 - www.fsa.gov.uk
- **Application Forms:**
 - www.fsa.gov.uk/pages/library/communication/forms/packs/index.shtml
- **Third Party Forms: Controllers**
 - www.fsa.gov.uk/pubs/oher/standardnotification.doc
- **Approved Persons:**
 - www.fsa.gov.uk/pubs/other/ivreg-forms.pdf
- **FMConsult:**
 - www.fmconsult.co.uk
- **E:Mail:**
 - atyrtaia@fmconsult.co.uk

FMCConsult
compliance solutions

Contact

78,336 194,719

PLATINUM NYMEX (50 Troy oz.; \$/troy oz.)

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