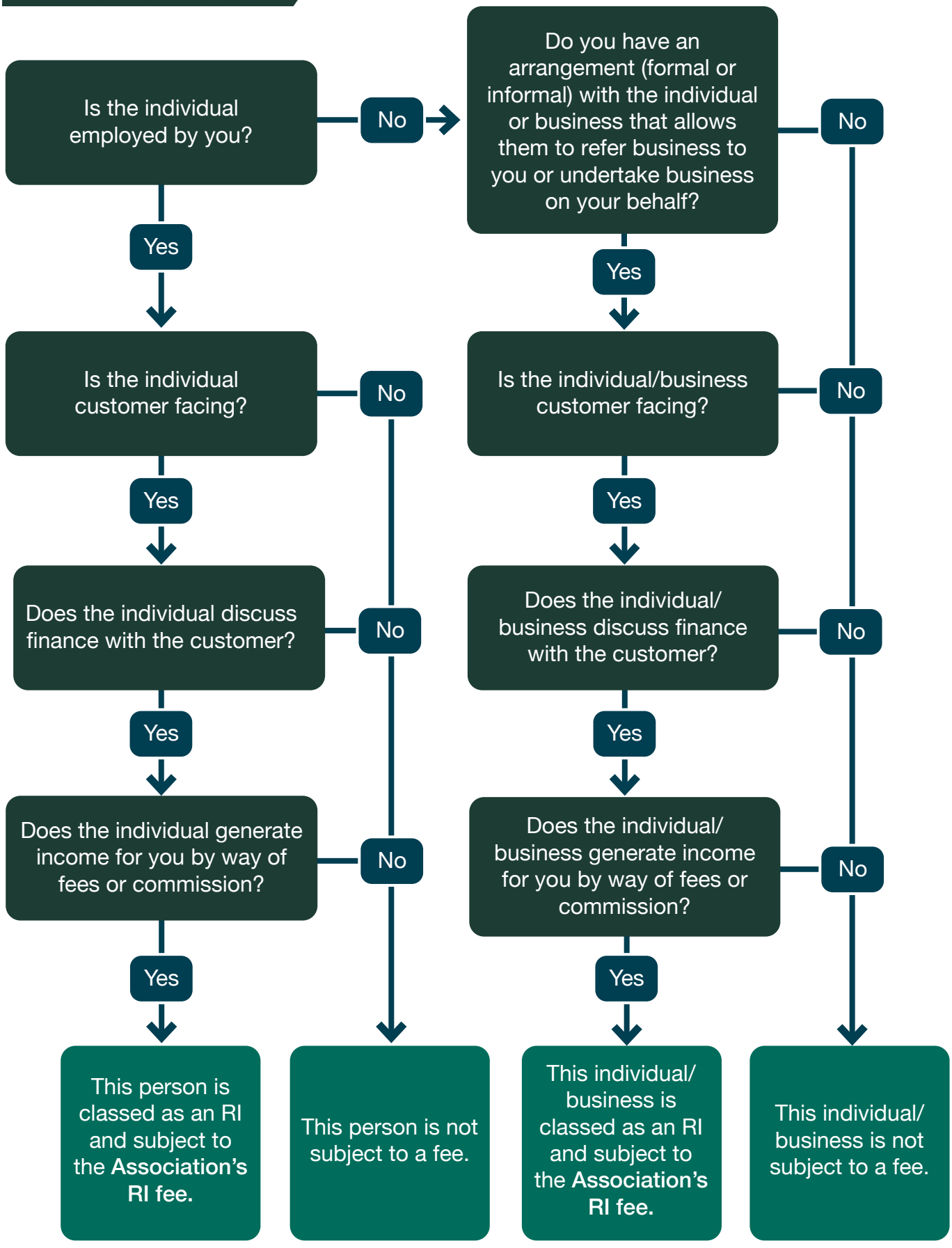
NACFB

HELPING FUND UK BUSINESS



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The Association recognises that it has been hard for Members to define who qualifies as a Registered Individual (RI) and therefore who they need to register with the Association and what fees need to be paid. We also acknowledge the advent of various other formal and informal arrangements such as Appointed Representatives (ARs), Agents, Associates, Franchisees, etc.

Going forward, the Association will treat any individual or business that is associated to the principal member in the same way. Each individual or business will be charged a fee of £24.75 per month.

It is important that Member firms register these individuals and businesses with the Association for two reasons:

1. It is unfair to Members who are registering such individuals and businesses and paying for them when others are not.

2. In the event of a claim the Member firm's Professional Indemnity Insurance could be invalidated if the individual or business is not registered with the Association.

In order to clarify exactly who should be registered we have put together this following guidance.

A party that needs registering with the Association will fall into one of the following definitions:

Employee

Employees of the firm that generate income by dealing directly with customers and giving advice will qualify. Support staff and deal coordinators will not fall within the definition of an RI.

Appointed Representative (AR)

An AR is an individual or business that has been appointed by the Member firm (under their permissions as a Principal within the FCA definition) to undertake the sale of financial products or give advice on financial products to commercial and retail customers.

Where ARs have customer facing staff or agents who sell financial products and generate income for the AR, they will also be required to be registered with the Association and pay the RI fee.

The firm will not need to register an AR with the Association in the event that the primary activity of the AR is not credit broking or financial services related (i.e. car dealer/estate agent) and if they do not actively discuss advice with, or give advice to, the customer.

Agents / Franchisees / Associates / Introducers

These are individuals or businesses that act on behalf of the Member firm and transact business through the Member firm. These firms may use the Member firm's trading style or trade under their own style.

The individual or firm will potentially deal directly with the customer, but utilise the funding lines of the Member firm. Introducers who fall within the definition above will be treated as RIs.

If the individual or business is already registered in their own name as a Member of the Association, they do not need to be registered again by the Member firm.

It should be noted that any party not registered with the Association, but who is using the Association's logo on marketing material, is breaching the Association's rules.

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