

**SMCR ASSESSMENT FORM AND CERTIFICATE OF FITNESS AND PROPRIETY FOR
CERTIFIED STAFF**

DRAFT 30/01/2020

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To be used only by an FCA solo-regulated UK Core SMCR firm.

Name of Firm	[...] (the "Firm")
Name of Individual	[...] (the "Individual")
Date	[...]

This form ("Form") is divided into the following sections:

1. Certificate of fitness and propriety (to be completed by the Firm)
2. Role description and certification function analysis (to be completed by the Firm)
3. Fitness and propriety information (to be completed by the Individual)
4. Declaration by the Individual (to be completed by the Individual)
5. Assessment of fitness and propriety (to be completed by the Firm)

The following documents must be attached to this Form:

	Yes	No	N/A
1. Individual's curriculum vitae (CV)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2. Individual's criminal records check from the Disclosure and Barring Service (DBS) (if obtained)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2. Individual's regulatory reference(s) from previous employer(s) in the past 6 years ¹	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3. Other supporting documents: [please specify]	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

¹ Not required for existing employees as at 9 December 2019.

1. **CERTIFICATE OF FITNESS AND PROPRIETY ("CERTIFICATE") (TO BE COMPLETED BY THE FIRM)**

Name of Firm	[...]
Firm reference number (FRN)	
Name of Individual	
Individual reference number (IRN)	
Date of certification	
Duration of certification	Valid for a period of 12 months from the date of certification.
Certification function(s)	<input type="checkbox"/> Significant Management <input type="checkbox"/> Proprietary Trader <input type="checkbox"/> CASS Oversight <input type="checkbox"/> Function Requiring Qualifications <input type="checkbox"/> Client-Dealing <input type="checkbox"/> Manager of Certification Employees <input type="checkbox"/> Material Risk Taker <input type="checkbox"/> Algorithmic Trading
Affairs of the Firm the Individual will be involved in performing the function	Please see Section 2.

The Firm is satisfied, having considered the criteria set out in FIT (Fit and Proper test for Employees and Senior Personnel) of the FCA Handbook and the information contained in this Form, that the individual is a fit and proper person to perform the certification function(s) to which this Certificate relates.

Individual at Firm assessing fitness and propriety*	Signature: Name: Position:
Senior Manager at Firm with the Prescribed Responsibility for the Firm's performance of its obligations under the certification regime (if different from the above)	Signature: Name: Position: Senior Manager

* This individual could be the Senior Manager at the Firm who holds the Prescribed Responsibility for the Firm's performance of its obligations under the certification regime or another individual at the Firm such as the certified employee's hiring manager or supervisor.

2. ROLE DESCRIPTION AND CERTIFICATION FUNCTIONS ANALYSIS (TO BE COMPLETED BY THE FIRM)

2.1 ROLE DESCRIPTION

Nature of arrangement between the Individual and the Firm	<i>[For example: Full-Time Employee / Part-Time Employee / Contractor / Seconded / Group Employee / Temporary Employee]</i>
Job title	
Role description Please provide a high-level summary of the responsibilities of and role performed by the Individual.	
Location	
Start date	
End date (if applicable)	
Reporting to	

2.2 CERTIFICATION FUNCTION ANALYSIS

2.2.1 Certification function(s) performed

Certification Function	Definition	Does the Individual perform this function?	If yes, please provide further details.
Significant Management	<p>This refers to individuals with significant responsibility for a significant business unit.</p> <p>The Significant Management Function applies to people who (i) are not senior managers performing an SMF and (ii) are responsible for one or more business units that, because of their size, nature or impact, are considered significant by the Firm.</p> <p>These important roles can seriously impact the way the Firm conducts its business and are not limited to revenue-generating business areas.</p>	YES / NO	<i>For example: The Individual is the head of the [...] department / the Individual is the chief risk / financial officer of the Firm.</i>
Proprietary Trader	All proprietary traders are covered by the Certification Regime.	YES / NO	<i>For example: The Individual is a proprietary trader at the Firm, trading in [...] instruments.</i>
CASS Oversight	The CASS Oversight Function covers oversight of the operational effectiveness of the Firm's systems and controls for client money and assets in accordance with CASS (Client Assets Sourcebook) of the FCA Handbook.	YES / NO	<i>For example: The Individual is responsible for the oversight of the Firm's systems and controls for client money and assets.</i>
Functions Requiring Qualifications	This includes, for example, mortgage advisers, retail investment advisers and pension transfer specialists. The full list is set out in TC (Training and Competence Sourcebook) of the FCA Handbook.	YES / NO	<i>For example: The Individual is a [mortgage advisor] which role requires the holding of the following qualification: [...].</i>
Client-Dealing	This function applies to any person dealing in or arranging investments with clients, including retail and professional clients and eligible counterparties.	YES / NO	<i>For example: The Individual deals with the Firm's clients because they act as [...].</i>

	<p>This includes:</p> <ul style="list-style-type: none"> • financial advisers; • people who are involved in corporate finance business; • people who are involved in dealing or arranging deals in investments; and • investment managers. 		
Manager (direct or indirect) of Certification Employees, but isn't a Senior Manager	<p>This function makes sure that people who supervise certified employees are held to the same standard of accountability.</p> <p>It also makes sure there is a clear chain of accountability between junior certified employees and the Senior Manager ultimately responsible for that area.</p> <p>For example, if a firm employs a customer-facing financial adviser, every manager above them in the same chain of responsibility will have to be certified (until the Senior Manager holding the relevant senior management function is reached).</p>	YES / NO	<i>For example: The Individual supervises or manages employees carrying out the following certification functions: [...]</i>
Material Risk Taker	<p>The concept of Material Risk Takers (also known as Remuneration Code staff) is taken from the FCA remuneration codes (SYSC 19).</p> <p>They are a category of staff that all firms under AIFMD, UCITS, IFPRU and BIPRU are already required to identify under the FCA remuneration regime.</p> <p>The Firm need to consider all types of risk when identifying their Material Risk Takers, including those of a prudential, operational, conduct and reputational nature.</p> <p>All of these Material Risk Takers will be covered by this certification function.</p>	YES / NO	<i>For example: The Individual is a material risk taker under the FCA remuneration rules on the basis that they [...].</i>
Algorithmic Trading	<p>This function includes people with responsibility for:</p> <ul style="list-style-type: none"> • approving the deployment of a trading algorithm or a part of one; • approving the deployment of an amendment to a trading algorithm or a part of one, or a combination of trading 	YES / NO	<i>For example: The Individual is responsible for approving the deployment by the Firm of the following trading algorithm: [...].</i>

	<p>algorithms;</p> <ul style="list-style-type: none"> • having significant responsibility for the management of monitoring or deciding whether the use or deployment of a trading algorithm is, or remains, compliant with the Firm's obligations. 		
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