

REPRESENTATIVE EXAM MODULE 1



GENISTAR
Financial Freedom For All

TOPICS AND EXAM INFORMATION

In this module we'll be covering:

- Regulation and Compliance
- Treating Customers Fairly (TCF)
- Marketing and Advertising

EXAM

After you have gone through the learning materials, you will take an exam to test your comprehension.

- Multiple-choice questions
- Not timed
- Refer to your notes
- Three attempts to pass

ADDITIONAL SUPPORT

The video presentation should cater to most learning styles, but if you have additional support needs, you must notify us before you use your 3 attempts.



REGULATION AND COMPLIANCE

REGULATION

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Genistar is regulated.

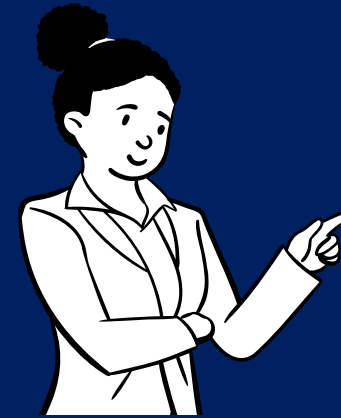
- Genistar Limited is a financial education company that operates within the financial services industry.
- There are several regulatory bodies and authorities with whom Genistar must ensure compliance.



COMPLIANCE

BEING COMPLIANT MEANS OBEYING RULES AND REGULATIONS AND DOING WHAT YOU ARE SUPPOSED TO DO.

- Everyone in Genistar must comply with the rules and regulations set out to ensure that our business operates properly.
- In the context of financial services businesses, there are two levels of compliance.
- These two levels go hand in hand, and both are essential. Any organisation that neglects compliance may face fines or legal action and could even be shut down.



FCA, ICO AND FOS

LEVEL 1 REGULATORY COMPLIANCE (FCA, ICO AND FOS):

Genistar must comply with external rules which regulate financial firms and markets in the UK.

LEVEL 2 GENISTAR'S COMPLIANCE DEPARTMENT:

Every person within Genistar must comply with our internal policies and procedures so that we are compliant with the externally imposed rules.



GENISTAR'S COMPLIANCE DEPARTMENT

Genistar's compliance department is here to protect our company. They make sure that everyone does things the right way.



Their key functions are:

Identify Risks – They will identify any risks that we might face and advise on how to deal with them.

Protect from Risks – They will implement procedures and controls to protect Genistar from risks.

Monitor Procedures – They will monitor our procedures and keep them up to date to comply with any new regulations.

Resolve Conflicts – They will resolve any conflicts involving Genistar representatives and/or clients.

Advise – They will advise on rules and controls.

NON-COMPLIANCE

So, what could happen if you are not compliant?

Failure to comply with regulations can mean different things in different situations, but non-compliance can have very serious consequences!



WHO ARE THE REGULATORS?

FCA

Financial Conduct
Authority

ICO

Information
Commissioners Office

FOS

Financial Ombudsman
Service

FCA

FINANCIAL CONDUCT AUTHORITY

REGULATION AND COMPLIANCE

THE FCA IS THE REGULATOR OF THE FINANCIAL SERVICES INDUSTRY IN THE UK.

It has 3 primary objectives:

1. Protect consumers
2. Protect and enhance market integrity
3. Promote competition in the interests of consumers

Genistar is authorised and regulated by the Financial Conduct Authority (FCA) with the registered FCA number: 472050.



1. **Protect Consumers**

2. **Protect and Enhance Market Integrity**

3. **Promote Competition in the Interests of Consumers**

12 FCA PRINCIPLES

1. Integrity

A firm must conduct its business with integrity.

2. Skill, care and diligence

A firm must conduct its business with due skill, care and diligence.

3. Management and control

A firm must take reasonable care to organise and control its affairs responsibly and effectively.

4. Financial prudence

A firm must maintain adequate financial resources.

5. Market conduct

A firm must observe proper standards of market conduct.

6. Customers' interests

A firm must pay due regard to the interests of its customers and treat them fairly.

7. Communications with clients

A firm must pay due regard to the information needs of its clients, and communicate information to them in a way which is clear, fair and accurate.

8. Conflicts of interest

A firm must manage conflicts of interest fairly, both between itself and its customers and between a customer and another client.

9. Customers (relationships of trust)

A firm must take reasonable care to ensure the suitability of its advice and discretionary decisions for any customer who is entitled to rely upon its judgment.

10. Clients' assets

A firm must arrange adequate protection for clients' assets when it is responsible for them.

11. Relations with regulators

A firm must deal with its regulators in an open and cooperative way, and must disclose to the regulator appropriately anything relating to the firm of which that regulator would reasonably expect notice.

12. Consumer duty

A firm must act to deliver good outcomes for retail customers.

ICO & FOS

ICO

Information Commissioner's Office

The ICO's mission is to uphold information rights to the public interest, promote openness by public bodies and data privacy for individuals.

FOS

Financial Ombudsman Service

This is a free, easy to use service that settles complaints between consumers and financial services businesses.

Before the Ombudsman can step in, the consumer must first give the business they are unhappy with, the opportunity to investigate the complaint.

*ICO:
I help you protect
your information*

*FOS:
I help you settle
complaints*





TREATING CUSTOMERS FAIRLY (TCF) AND CONSUMER DUTY

TREATING CUSTOMERS FAIRLY (TCF)

TREATING CUSTOMERS FAIRLY AND CONSUMER DUTY

Treat others the way you would expect to be treated.

At Genistar, treating customers fairly is at the heart of our business model. We believe that customers have a right to expect the highest standards from us in everything we do.

It means, very simply, that you should ***treat others the way you would expect to be treated.***

Put the customer first and do what is right 100% of the time.



CUSTOMER OUTCOMES

Treating Customers Fairly (TCF)

There are six consumer outcomes of TCF laid out by the FCA that Genistar strives to achieve to ensure fair treatment of our customers.

1. **Company Culture of Fairness** – Consumers can be confident they are dealing with firms where the fair treatment of customers is central to the corporate culture.
2. **Appropriate Products to Meet the Customers Needs** – Products and services marketed and sold in the retail market are designed to meet the needs of identified consumer groups and are targeted accordingly.
3. **Clear Information** – Consumers are provided with clear information and are kept appropriately informed before, during and after the point of sale.
4. **Suitable Advice** – Where consumers receive advice, the advice is suitable and takes account of their circumstances.
5. **Expectations Met** – Consumers are provided with products that perform as firms have led them to expect, and the associated service is of an acceptable standard and as they have been led to expect.
6. **No Post-Sale Barriers** – Consumers do not face unreasonable post-sale barriers imposed by firms to change product, switch provider, submit a claim or make a complaint.

WHO IS RESPONSIBLE FOR TREATING CUSTOMERS FAIRLY (TCF)?

Everyone within Genistar is accountable for TCF.

TCF does not start and stop with the individual that has the face-to-face contact with the customer. It goes through the entire chain, from the education and application, through to claims and complaints.



COMPLIANCE

CUSTOMER SERVICES

GENISTAR REPRESENTATIVES

CONSUMER DUTY

What is Consumer Duty?

Consumer Duty is an FCA consumer principle that requires a firm must act to deliver good outcomes for retail customers.

When we talk about retail customers here, we are not speaking of people going into shops to buy goods. We are talking about financial services that are sold to the end consumer for their personal use.

Cross-Cutting Rules (Standards of conduct that cut across all areas of a firm's retail financial services)

Cross-cutting rules require firms to:

- Take all reasonable steps to avoid causing foreseeable harm to customers.
- Take all reasonable steps to enable customers to pursue their financial objectives.
- Act in good faith.



CONSUMER DUTY OUTCOMES

TREATING CUSTOMERS FAIRLY AND CONSUMER DUTY

Consumer Duty Outcomes describe the level of service and positive results firms need to be able to deliver for their clients.

Four Consumer Duty Outcomes:

1. **Products and Services** will meet the needs of consumers.
2. **Price and Value:** The price of products and services will represent fair value for consumers.
3. **Consumer Understanding:** Customers will receive communications that they can understand.
4. **Consumer Support:** Customers will receive a level of support that meets their needs.



It's just what I need





MARKETING AND ADVERTISING

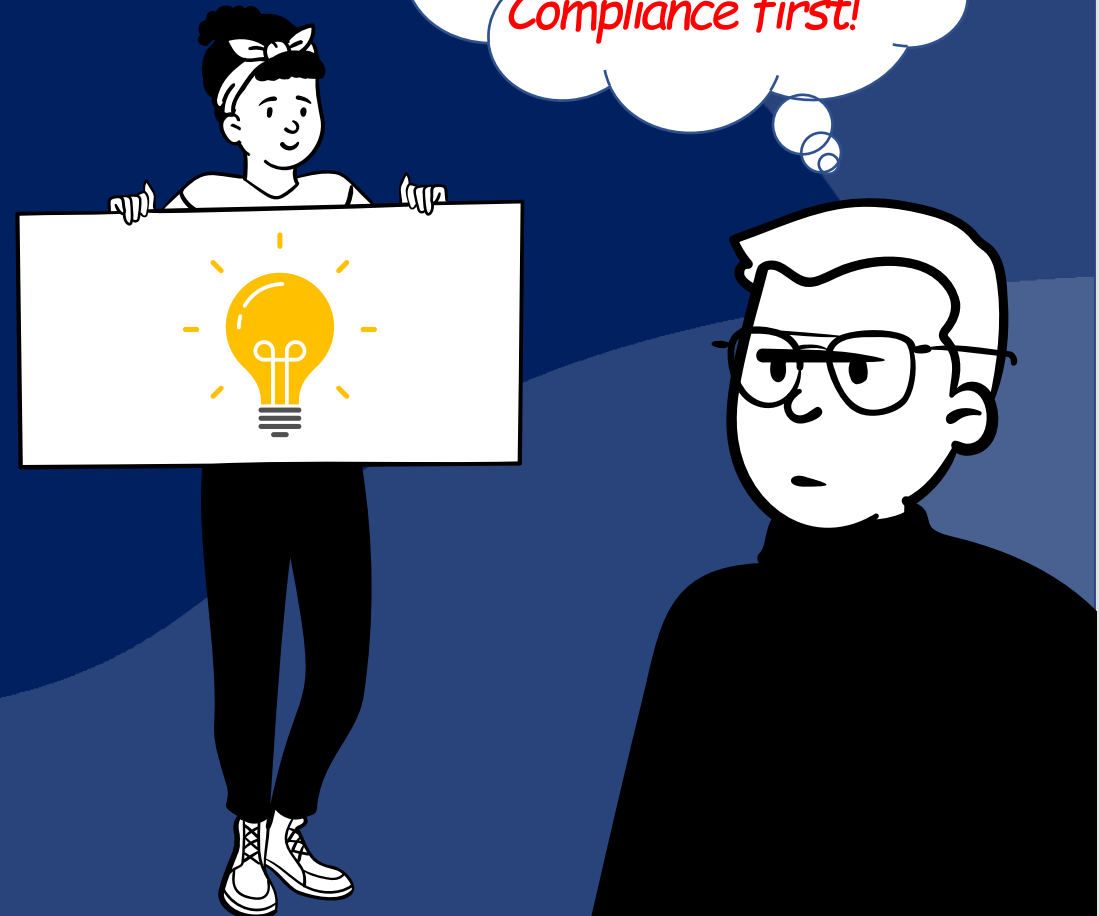
MARKETING & ADVERTISING

Genistar operates on a **referral system**. Customers who have seen how our financial education and products have changed their financial futures are generally very happy to refer others to us.

We have no plans to change this, but we do recognise that at times other methods of advertising could be beneficial. Any requests for marketing **MUST** be approved by our **Compliance Department** which will assure that everything is clear, fair and not misleading.

I have a great advertising idea!

Maybe... But you **MUST** talk to Compliance first!



SOCIAL MEDIA



MAY

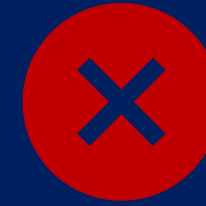
- ✓ **You may** share posts published by Genistar on our **public** platforms.
- ✓ **You may** comment on the Genistar posts that you share by writing: Contact me for further info, PM me for more info, or something similar.

MUST

- ✓ **You must** get approval from the Compliance Department for any post mentioning Genistar (other than those shared from our public social media platforms).



SOCIAL MEDIA



MUST NOT

- × **You must not** make your own Genistar page on any **public** social media platform. (This does not apply to private groups such as team groups which are not accessible to the public.)
- × **You must not** use the Genistar logo on your **public** social media page or post – unless it is on a post shared from Genistar. (Again, this does not apply to private groups such as team groups that are not accessible to the public.)

- × **You must not** write about Genistar in any language other than English, as it is impossible for us to monitor it.
- × **You must not** post any financial promotions – defined by the FCA as ‘an invitation or inducement to engage in investment activity or to engage in claims management activity’.
- × **You must not** violate GDPR regulation by divulging anyone’s personal information on your social media posts or pages.

Any exceptions would need approval from the compliance department.



THANKS FOR WATCHING!

You must now answer some questions about what you have just learnt!



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