

## Introducer onboarding and ongoing monitoring checklist

Please find below a non-exhaustive list of checks that funders may undertake before accepting introductions from your firm:

| FCA Permissions                          |                                                                                                                                                                                                                                                                                                                            |
|------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Credit broking                           | Where regulated customers are introduced to lenders, the firm must hold the necessary Financial Conduct Authority (FCA) permissions.<br><br>Regulated customers: <ul style="list-style-type: none"> <li>• Individuals</li> <li>• Sole Traders</li> <li>• Partnerships of 2/3</li> <li>• Unincorporated entities</li> </ul> |
| Refinancing                              | Where credit brokers are discussing the settling / consolidation of existing third-party debts, for example car balloons, Debt Counselling and Debt Adjusting permissions are required                                                                                                                                     |
| Appointed Representative (AR)            | Relevant Agreement between Principal and AR are in place                                                                                                                                                                                                                                                                   |
| Data Protection                          |                                                                                                                                                                                                                                                                                                                            |
| ICO Registration                         | Up to date registration with the Information Commissioners Office (ICO)                                                                                                                                                                                                                                                    |
| Privacy Policy                           | Customers are provided with a copy of the firms Privacy Policy                                                                                                                                                                                                                                                             |
| Credit Checks                            |                                                                                                                                                                                                                                                                                                                            |
| Consent                                  | The firm obtains the customer's consent prior to credit checks being undertaken                                                                                                                                                                                                                                            |
| Credit Reference Agency (CRA)            | CRA information and contact details are provided with the Funders Privacy Policy                                                                                                                                                                                                                                           |
| Decline Notification                     | Decline Notification provided where applicable with decline reason, CRA and firm contact details                                                                                                                                                                                                                           |
| Compliance oversight                     |                                                                                                                                                                                                                                                                                                                            |
| Oversight, Procedures, Monitoring and MI | The firm has adequate compliance oversight, procedures, monitoring and MI in place                                                                                                                                                                                                                                         |
| Sales Process                            |                                                                                                                                                                                                                                                                                                                            |
| Fees                                     | If a firm is charging the customer fees: <ul style="list-style-type: none"> <li>• Adequately detailed in an information notice, issued and signed by the customer</li> <li>• Refund process in place</li> <li>• Fee is included in the total charge for credit</li> </ul>                                                  |

|                                                    |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
|----------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Commission Disclosure                              | <p>Firms must disclose to customers the existence and nature of commission before an agreement is entered into, for example:</p> <p><b>Fixed:</b> We will receive commission for introducing you to a lender. Different lenders will pay different commissions for such introductions. The amount of commission received is fixed and does not affect the cost of credit.</p> <p><b>Variable:</b> Lenders will pay us commission for introducing you to them. Different lenders will pay different commissions for such introductions. The amount of commission received can vary depending on the terms of your agreement. We have the discretion to determine the total amount received by adjusting the interest rate and other fees within set parameters which make up the total cost of credit.</p> <p><b>If the customer is also eligible for more than one product, and the commission varies depending on which product the customer takes out, you could use the following wording:</b></p> <p>The commission we will receive from [XXXX] is more than an alternative lender on our panel.</p> <p><b>Or</b></p> <p>The commission we will receive is more for this product over an alternative that you are eligible for.</p> <p>A Commission Consent Form should be completed by the customer prior to signing the agreement.</p> |
| Initial Disclosure Information / Terms of Business | <p>Documented explanation to customer setting out the products and services offered by the firm, including but not limited to:</p> <ul style="list-style-type: none"> <li>• Whether you work exclusively with one or more lenders</li> <li>• The nature of the service your firm provides</li> <li>• The legal name of your firm, and any relevant trading name</li> <li>• Registered office address and contact details</li> <li>• That you are a credit broker and not a lender</li> <li>• The statutory status disclosure (if required). The required disclosures can depend on your status and activities – therefore please seek independent advice if required</li> <li>• Complaints information (including Financial Ombudsman Service contact information)</li> <li>• Commission Disclosure and any additional fees charged</li> <li>• Privacy Policy</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
| Vulnerable Customers                               | <p>Employees are trained to identify, record and manage the needs of vulnerable customers to ensure good outcomes</p> <p>Documented Vulnerable Customer Policy and Procedure is in place</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
| Records                                            | <p>Maintain adequate records of conversations and documentation exchanged</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |

| Complaints Handling           |                                                                                                                                                                                                                                                                                                                                                       |
|-------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Training                      | Employees are trained to identify, record and respond to customers expressions of dissatisfaction                                                                                                                                                                                                                                                     |
| Policies and Procedures       | Internal Complaints Handling Policies and Procedures are in place                                                                                                                                                                                                                                                                                     |
| Customer Complaints Awareness | Customer Complaints procedure is provided to customers and includes: <ul style="list-style-type: none"> <li>• Timescales for responding</li> <li>• Firm contact details</li> <li>• Financial Ombudsman Service information and contact details (where introducing regulated customers)</li> <li>• Trade body information (where necessary)</li> </ul> |
| Records and MI                | Records of complaints correspondence should be maintained, and data should be recorded on a log to ensure MI is readily available for funders and the FCA as required                                                                                                                                                                                 |
| Financial Promotions          |                                                                                                                                                                                                                                                                                                                                                       |
| Approval                      | Ensure an approval process is in place when displaying / sharing information on financial products and services which includes contact details inviting customers to contact you regarding the information.                                                                                                                                           |
| Policy and Procedure          | Documented process to ensure: <ul style="list-style-type: none"> <li>• adherence to the relevant rules (FCA and Advertising Standards Agency)</li> <li>• Name of financial promotion approver and date</li> <li>• Ongoing management and oversight (end of promotion or review date)</li> </ul>                                                       |
| Website                       |                                                                                                                                                                                                                                                                                                                                                       |
| Requirements                  | <p>If a firm operates a website, it must ensure it includes the same information as the Initial Disclosure Information section above. This must be prominent for customers and not hidden.</p> <p>Financial Promotions must be in date and fully approved.</p>                                                                                        |