



Guernsey Financial
Services Commission

Conduct Unit

Jeremy Quick, Director

Rosemary Stevens, Assistant Director

Guernsey – International & Interconnected

- Sensible and balanced regulation
 - Safeguard financial stability
 - Protect consumers



The Conduct Unit

- Guernsey Financial Advice Standards (“GFAS”)
- On-site thematic visits & other supervisory and policy work
- Our plans for 2015 and beyond



Background to GFAS

- June 2009 the FSA published Retail Distribution Review (“RDR”) proposals which were implemented on 1 January 2013
- October 2012 – consultation paper issued by Commerce & Employment Department
- March 2013 – Summary issued by C&E and GFSC asked to implement GFAS in 2015

GFAS – Steps to implementation

- September 2013 – GFSC consultation paper issued on the proposed implementation
- May 2014 – Feedback on consultation given
- July 2014 – Further consultation paper issued with drafts of rules and codes
- November 2014 – Feedback on consultation and new rules and codes issued

Responses to the 2014 consultation paper

- 25 responses from:
 - Industry body
 - Professional body
 - Compliance consultancy firm
 - Investment, banking and insurance intermediary licensees
 - Authorised insurance representatives



GFAS – The new rules and codes

- Conduct of Business Rules
 - Investment licensees
 - Insurance intermediary licensees
 - Insurance manager licensees
- Codes of Conduct
 - Financial advisers
 - Authorised insurance representatives



GFAS – Who are Financial Advisers?

- Natural persons employed by:
 - Investment licensees
 - Advise retail clients on controlled investments
 - Insurance intermediary or manager licensees
 - Advise retail clients on long term insurance business excluding contracts of insurance on human life, permanent health and credit life assurance that are payable annually

GFAS – Future milestones

- 1 January 2015
 - New rules and codes apply
 - GFSC to be advised of the names of all existing long term AIRs and investment advisers who advise retail clients
 - New form for notification of financial advisers and authorised insurance representatives

GFAS – Qualification deadline

- 31 December 2015
 - Existing advisers who will become “Financial Advisers” must have attained an acceptable qualification



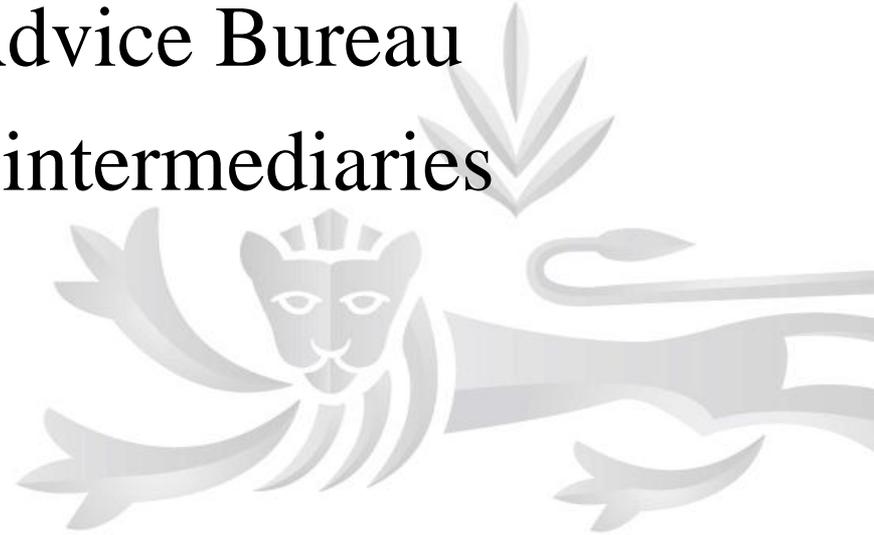
On-site Supervision

- Completion of 2013 thematic visits on sales practices
- June 2014 – report issued
- October 2014 – remediation completed by the majority of those visited



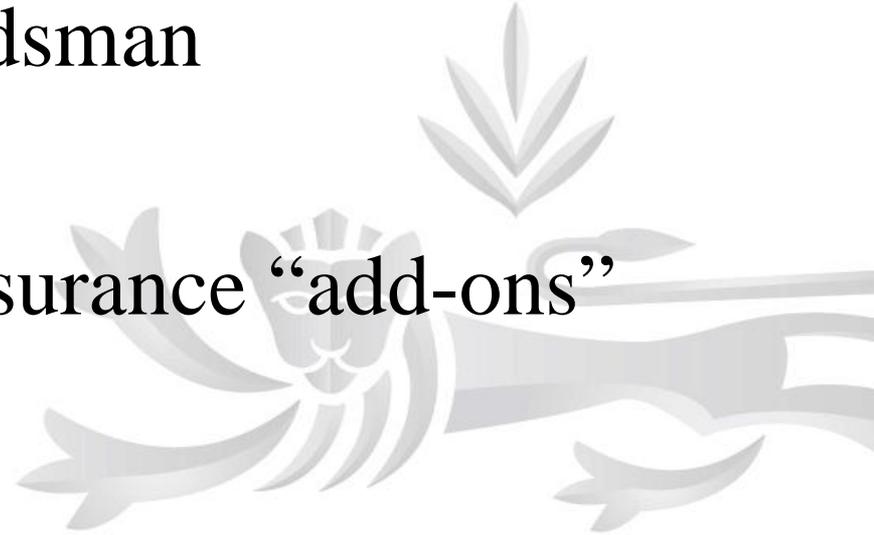
Other supervisory and policy work

- Channel Islands Ombudsman Scheme
- Supervision of retail banks
- Liaison with Citizens Advice Bureau
- Seminars for insurance intermediaries



Plans for 2015

- Continued implementation of GFAS
- Consumer pages of the website
- Channel Islands Ombudsman
- Seminars for industry
- Thematic on general insurance “add-ons”



Questions?

