**Financial Conduct Authority’s Principles for Business.**

The Principles are a general statement of the fundamental obligations that apply to regulated firms. [Name of firm] must abide by the Principles. A breach of the principles will call into question whether we remain fit and proper and may result in disciplinary sanctions.

## The 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, with adequate risk management systems
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 not misleading.
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 judgement.
10. **Client 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 appropriate 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 (policyholders or prospective policyholders)

Principle 12 only applies in relations to [Name of firm]’s retail market business. Where principle 12 applies principles 6 and 7 do not apply

**Clients and the Principles**

Principles 6 (customers interests) , 7 (communications with clients), 8 (conflicts of interest) 9, (customers relationships of trust) , 10 (Clients’ assets) and 12 (Consumer Duty) impose requirements on [Name of firm] expressly in relation to our clients or customers. These requirements depend, in part, on the characteristics of the client or customer concerned. This is because the words: “Due regard”; “fairly”; “clear, fair and not misleading”; “reasonable care”; “adequate” or “good outcomes” depend on the clients’ characteristics.