

# Index

- abusive squeeze 156
- actuaries' reports 105
- Advanced Risk Response Operating Framework (ARROW) 320
- advisory work 88–98
  - areas to query 91–6
  - basic questions 89–90
  - choosing an option 97–8
  - gut reactions 98
  - investigations 89–91
  - people to question 90–1
  - plans of attack 96–8
  - regulatory implications 91–6
  - remedial action 97
  - routine activities 134–5
  - standard approach 88–98
- aggregation of orders 225–6, 299, 303
- agreements
  - clients/customers 216–17, 269
  - Legal department 269
  - regulatory 145–6
  - terms 310
- allocation of assets 225–6, 299, 303
- annual plans 129–30
- anti-money-laundering 44, 195–207
  - see also* money-laundering
  - counter-terrorism 207
  - dilemmas 284–5, 287, 290–1, 293, 300
  - financial sanctions 198
  - Front Office 235–6
  - KYC 195–7, 200–3
  - MLRO reporting 206
  - Patriot Act certificate 203–4
  - PEPs 204–6
  - regulations 11–12
  - suspicious activities 199–200
- appendices 121–314
  - anti-money-laundering 195–207
  - Back Office/support departments 253–76
  - conundrums 277–314
  - Front Office 209–51
  - routine activities 121–94
  - senior management 253–6
- appointed representative reporting 106
- appropriateness requirements 223–4, 279, 298–300, 312
- Approved Persons
  - customers 271
  - dilemmas 292, 296–7, 309
  - FSA serious issues 110
  - HR department 258
  - Internal Audit 264
  - Operations department 271–2
  - reporting 106
  - rules 228–9
  - senior management 254
  - status withdrawal 116
- ARROW (Advanced Risk Response Operating Framework) 320
- asset management 211
- associations, industry 329
- attestation activities 130
- auditors' reports 105
- Back Office and support departments 84–5, 253–76
  - Company Secretariat 262–3
  - Finance 261–2
  - HR 256–9
  - Internal Audit 264–5
  - IT department 265–8
  - Legal 268–9
  - Marketing 259–60
  - Operational Risk 269–70
  - Operations 271–4
  - Tax department 274–5
- Baldwin, Tim 114
- banking, BCBS 321–2
- Banking Code of Conduct 328
- Basel Committee on Banking Supervision (BCBS), Basel I/II 16–17, 321–2
- benchmarking 65

- benefits of compliance 31–7
  - clients/customers 33, 34
  - corporate governance 33
  - firm/colleagues 35
  - monetary 34
  - reputational 34
- best execution rule 218–20, 284–5, 305, 313
- best interest rule, clients 214–15, 278–82, 284–5, 289–90, 295, 298–300, 303, 305, 307, 312–13
- board of directors *see* directors
- borrowing and investment powers 239, 300
- breaches of regulations/rules 109–11, 115–20, 170–1
- business
  - investment 5–8
  - types under FSMA/MiFID 8–11
  - units 56–60
- capital adequacy 321–2, 334–5
- Capital Requirements Directive (CRD) 321–2, 334–5
- case law 4
- cautions, FSA 118
- centralized compliance models 20–1
- Charters 43–7
  - approval 46–7
  - changes 47
  - contents 43–7
  - Contracts 41, 43–7
  - day-to-day activities 44
  - escalation procedures 46
  - legislative environment 72
  - maintenance 130
  - objectives 44
  - performance measurement 46
  - powers 45
  - reporting to management 46
  - responsibilities 43, 45–6
- Chinese walls 157–9, 247–8
  - dilemmas 278–9, 282, 284–6, 301–4, 306–8, 310–11
  - Internal Audit 265
  - IT department 266
  - Legal department 269
  - Operations department 272
  - senior management 254–5
- churning 224–5, 280–1
- City Code on Takeovers and Mergers (Takeover Code) 12, 110
- Civil Procedure Rule 114, 1998
- clearing houses 70, 135
- clients
  - agreements 216–17
  - best interest rule 214–15, 278–82, 284–5, 289–90, 295, 298–300, 303, 305, 307, 312–13
  - categorization 185–8, 232–3
  - communication 230–1
  - limit orders 221
  - venture capital 187
- close links 106, 262
- closure of firm 120
- colleagues in Compliance 35
- common law 4
- communicating with clients 230–1
- Companies Act 2006 255
- Company Secretariat 262–3
- compensation 117
- competence *see* training and competence
- competent employees rule 171, 297–8, 300
- competition 13, 66
- complaints 108–9, 119, 169
- Compliance Charter *see* Charters
- Compliance Contract *see* Contracts
- Compliance department 24–30, 87–101
  - see also* departments; routine activities
  - advisory work 88–98
  - aspects to eliminate 28–9
  - bad regimes 28–9
  - Charters 43–7
  - concept of compliance 16–18
  - conundrums 99–101
  - costs 37–8
  - danger signals 29–30
  - good regimes 24–8
  - interactions
    - firm 26–7
    - third parties 27–8
  - internal arrangements 25–6
  - key activities 87–101
- Compliance function 15–40
  - areas of knowledge 49–51
  - arguments for compliance 30–8
  - bad regimes 28–9
  - benefits 30–7
  - as a concept 16–21
  - costs 37–8
  - departments 16–18, 24–30
  - Front/Back Office 83–5
  - good regimes 24–8
  - models 20–1
  - Officers 17–24
  - professional aspects 38–40
- Compliance Mission Statement 41–2
- Compliance Officers *see* Officers
- Compliance risk *see* risk
- confidentiality
  - Company Secretariat 263
  - dilemmas 285–6, 302–3, 309

- Front Office 243–4
- Internal Audit 264–5
- IT department 266
- Legal department 268
- Marketing department 260
- Operational Risk department 270
- Operations department 272
- senior management 255–6
- conflict of interests 146–9
  - Company Secretariat 263
  - dilemmas 284–6, 288–90, 294, 300–3, 305–7, 312, 314
  - Front Office 246
  - senior management 255–6
- consultation papers 138
- consumer needs table 81
- Contracts 41–7
  - Charters 41, 43–7
  - Mission Statements 41–2
  - promoting compliance 41–2
- controller reporting 106
- controls, Front Office 212–51
- conundrums 277–314
  - see also* dilemmas
  - lack of cooperation 99–101
  - tactics list 100–1
- conventions, UN 11
- cooperation, lack of 99–101
- corporate finance 187, 211
- corporate fund raising 64
- corporate governance 33, 263
- corporate knowledge 53–61, 180–1
  - see also* Know Your Customer
  - business units 56–60
  - external service providers 60–1
  - information log 53
  - operating entities 53–6
- corporate restructuring 65
  - see also* takeovers
- corruption 291
  - see also* fraud
- costs 37–8, 68
- counter-terrorism 207, 235–6
  - see also* anti-money-laundering; terrorism
- CRD (Capital Requirements Directive) 321–2, 334–5
- culture 122–3
- customers
  - see also* clients; Know Your Customer
  - agreements 269
  - compliance benefits 33, 34
  - documents 82
  - fair treatment 260, 301–2, 313, 340–2
  - sales 210–11
  - trading 210–11
- damages, action for 119
- danger signals 29–30, 99
- data protection 179–80
  - Company Secretariat 263
  - dilemmas 285, 309
  - HR department 257
  - Internal Audit 265
  - IT department 266
  - Legal department 268
  - Operational Risk department 270
  - Operations department 272
  - senior management 255–6
- Davidson, Paul ('the Plumber') 114
- day-to-day activities, Charters 44
- decentralized compliance models 20–1
- deception 157
- decision-making 97–8
- departments
  - see also* Back Office and support departments; Compliance department; Front Office
  - Finance 261–2
  - HR/Personnel 256–9
  - IT 265–8
  - Legal 268–9
  - Marketing 259–60
  - Operational Risk 269–70
  - Operations 271–4
  - Tax 274–5
- dilemmas 278–314
  - see also* conundrums
  - aggregation of orders 299, 303
  - allocation of assets 299, 303
  - anti-money-laundering 284–5, 287, 290–1, 293, 300
  - appropriateness 279, 298–300, 312
  - Approved Persons 292, 296–7, 309
  - best execution 284–5, 305, 313
  - best interest rule 278–82, 284–5, 289–90, 295, 298–300, 303, 305, 307, 312–13
  - borrowing/investment powers 300
  - Chinese walls 278–9, 282, 284–6, 301–4, 306–8, 310–11
  - churning 280–1
  - client's best interest rule 278–82, 284–5, 289–90, 295, 298–300, 303, 305, 307, 312–13
  - competent employees rule 297–8, 300
  - confidentiality 285–6, 302–3, 309
  - conflict of interests 284–6, 288–90, 294, 300–3, 305–7, 312, 314
  - corruption 291
  - data protection 285, 309
  - disciplinary action 311
  - exclusivity 286, 302
  - execution 284–5, 305, 313
  - external directorships 289

- dilemmas (*Continued*)
- fairness to customers 301–2, 313
  - fitness/propriety issues 292, 295, 297, 311
  - handling orders 305
  - inducements 280–1, 289–90, 300–1, 305–7, 312
  - information about firm 310
  - insider lists 281–8, 292, 295, 308, 314
  - investment/borrowing powers 300
  - KYC 280
  - market abuse 278–88, 292–3, 295, 301–2, 304–8, 310–12, 314
  - market conduct 278–88, 292–3, 295, 301–2, 304–8, 310–12, 314
  - PA dealing 281–3, 287–8, 292, 301–2, 305–6, 308, 311–12, 314
  - permitted activities 296, 299, 309
  - propriety/fitness issues 292, 295, 297, 311
  - record-keeping 309–10
  - relations with regulators 296–7, 313
  - remuneration policies 290, 307
  - research 294, 306–7, 314
  - restricted lists 282–4, 286, 292, 295, 304–6, 308
  - risk warnings 298
  - senior management 295, 310
  - suitability 279–81, 298–300, 307, 312
  - supervision 310–11
  - T&C 295–8, 309–11
  - terms of agreements 310
  - voice recording 285
  - watch lists 282–4, 286, 292, 295, 304–6, 308
- Directives, EU 4
- directors 253–6
- see also* senior management
  - Company Secretariat 262
  - external 258, 289
- disciplinary action
- courses 113–14, 142–3
  - dilemmas 311
  - FSA 112–14
  - Legal department 269
  - procedures 142–3
- dissemination of information 151
- documentation 79, 82, 145–6
- drug trafficking 11
- EAW (European Arrest Warrant) 323
- elective eligible counterparties 187
- elective professional clients 186
- electronic order book 67
- eligible counterparties 186–7
- employment contract breaches 120
- enforcement 103–20, 336
- see also* Financial Services Authority;
  - Financial Services and Markets Act
- escalation procedures, Charters 46
- ethics 122–3
- European Arrest Warrant (EAW) 323
- European ‘mega’ exchange 69
- European Union (EU)
- EAW 323
  - Lamfalussy Process 337–8
  - MiFID 17
  - UK regulations 4–5
- Europe, FSAP 324–5
- EU *see* European Union
- examples 315–42
- ARROW 320
  - BASEL II/CRD 321–2
  - capital adequacy 321–2, 334–5
  - enforcement 336
  - extradition 323
  - FSAP 324–5
  - global compliance 326–7
  - industry guidance 328–9
  - L&G v. FSA 330
  - Lamfalussy Process 337–8
  - MiFID 331–2
  - money-laundering 333, 339
  - principles-based regulations 317–19
  - TCF 340–2
- exchanges 64–9, 135
- benchmarking 65
  - corporate fund raising 64
  - corporate restructuring 65
  - differentials 66–7
  - internet 67–8
  - liquidity 64, 69
  - market place organization 65
  - price discovery 65
  - pseudo-exchanges 67–8
  - regulations 65–9
  - status 67
  - strategizing 65
  - trading 64
- exclusivity 237–8, 286, 302
- execution
- dilemmas 284–5, 305, 313
  - Front Office 218–21, 226–7
- external directors 258, 289
- external service providers 60–1
- extradition 323
- fair treatment of customers 260, 301–2, 313, 340–2
- false transactions 156
- fee payments to FSA 140–1
- fictional devices/deception 157
- Finance department 261–2
- Financial Ombudsman Service (FOS) 108, 112, 117

- financial promotions 108, 167–9, 231–2
- financial sanctions 198
- Financial Services Action Plan (FSAP) 4, 7, 324–5
- Financial Services Authority (FSA) 104–20
  - anti-money-laundering 11
  - applicability 5–8
  - ARROW 320
  - breaches 109–11, 115–20
  - business types under FSMA/MiFID 8–11
  - clearing houses 70
  - Compliance function 17–19
  - disciplinary action 112–14
  - enforcement 104–20, 336
  - exchanges 67
  - fee payments 140–1
  - Handbook 7, 17
  - information gathering 104–9, 111–12
  - L&G 330
  - liaising with regulators 108, 112, 119
  - MiFID 8–11, 331–2
  - NatWest 3, 323
  - powers above normal 107–8, 111–12
  - principles-based regulations 317–19
  - regulatory regimes 3, 5–13
  - reporting 139–40
  - serendipitous information 105, 108–9
  - statutory objectives 104
  - TCF 340–2
- Financial Services and Markets Act (FSMA) 2000
  - clearing houses 70
  - enforcement 103–20
  - exchanges 67
  - insider dealing 154–5
  - key legislation 71
  - UK regulations 3, 5–8, 13
- Financial Services and Markets Tribunal 113
- fines 117–18
- fitness and propriety issues 292, 295, 297, 311
- flexibility of pseudo-exchanges 68
- FOS (Financial Ombudsman Service) 108, 112, 117
- fraud 190
  - Front Office 236–7
  - Legal department 269
  - Tax department 275
- Front Office 83–4, 209–51
  - aggregation of orders 225–6
  - allocation of assets 225–6
  - anti-money-laundering 235–6
  - appropriateness 223–4
  - Approved Persons 228–9
  - best execution 218–20
  - Chinese walls 247–8
  - churning/switching 224–5
  - clients
    - agreements 216–17
    - best interest rule 214–15
    - categorization 232–3
    - communication 230–1
    - limit orders 221
  - confidentiality 243–4
  - conflicts of interest 246
  - corporate finance 211
  - counter-terrorism 235–6
  - customer sales/trading 210–11
  - disclaimers to research 241–2
  - exclusivity 237–8
  - execution 218–20, 226–7
  - financial promotions 231–2
  - fraud prevention 236–7
  - inducements 229–30
  - insider lists 247
  - investment
    - banking 211
    - and borrowing 239
    - committees 238–9
    - management 211
  - issuing research 240–3
  - key rules/controls 212–51
  - KYC 233–4
  - market abuse 248–9
  - order/execution records 226–7
  - PA dealing 244–6
  - permissions 212–13
  - prompt execution 220–1
  - providing information 215–16
  - relations with Compliance 213–14
  - research 212, 240–3
  - restricted lists 248
  - rules 212–51
  - suitability 222
  - T&C 227–8
  - third party research 242–3
  - voice recording 230
  - watch lists 248
  - whistle-blowing 250–1
  - written policies/procedures 249–50
- FSAP (Financial Services Action Plan) 4, 7, 324–5
- FSA *see* Financial Services Authority
- FSMA *see* Financial Services and Markets Act
- fund raising 64
- global compliance 326–7
- gut reactions 98
- Handbook, FSA 7, 17
- Human Resources (HR) department 256–9
- Human Rights Act 1998 104, 114

- improper disclosure 150–1
- independence of research 294, 306–7
- Independent Complaints Commissioner 113
- individual guidance, FSA 115–16
- inducements 165–7
  - dilemmas 280–1, 289–90, 300–1, 305–7, 312
  - Front Office 229–30
  - Marketing department 260
- industry developments 138
- industry guidance 328–9
- information
  - disclosure 263
  - gathering 50, 104–9, 111–12
  - given by Front Office 215–16
  - insider 150, 154–5
  - misuse 151
  - senior management 188–9
  - terms of business 310
- information gathering 50
  - FSA 104–9, 111–12
    - further powers 107–8, 111–12
    - regular channels 104–7
    - serendipitous methods 105, 108–9
- informative examples *see* examples
- injunctions, FSA 116
- inside information 150, 154–5
- insider dealing 150, 255
- insider lists 159–60
  - dilemmas 281–8, 292, 295, 308, 314
  - Front Office 247
- insolvency orders 117
- inspections, FSA 107
- integrity 122–3
- Internal Audit 264–5
- internal relations 128–9
- The International Convergence of Capital Measurement and Capital Standards - A Revised Framework* (Basel II) 321–2
- International Organization of Securities Commission (IOSCO) 17
- internet 67–8
- interviews, FSA 111
- investigations
  - advisory work 89–91
  - of firms 108
  - formal FSA 112
- investment
  - banking 211
  - and borrowing 239, 300
  - business 5–8
  - committees 238–9
  - management 211
- IOSCO (International Organization of Securities Commission) 17
- IT department 265–8
- JMLSG Guidance Notes 11, 110, 328
- job satisfaction 38–40
- knowledge, corporate 53–61
- Know Your Customer (KYC) 200–3
  - see also* customers
  - anti-money-laundering 195–7, 200–3
  - dilemmas 280
  - Front Office 233–4
  - introductions
    - from third parties 201–2
    - to third parties 203
  - new relationships 195–7
  - reviews 200–1
  - third parties completing on firm 202
  - vetting 11
- KYC *see* Know Your Customer
- L&G mis-selling case 113–14
- Lamfalussy Process 4, 7, 337–8
- language, Charters 43
- Legal department 268–9
- Legal and General (L&G) 330
- legislation 71–7
  - categories 71
  - overseas jurisdictions 77
  - rules mapping 73–7
  - UK 4–5
- liquidity 64, 69
- litigation 169
- London Stock Exchange (LSE) 69
- management
  - see also* senior management
  - investment 211
  - risk 72, 256
- manual maintenance 123–4
- market abuse 149–53
  - device manipulation 151
  - dilemmas 278–88, 292–3, 295, 301–2, 304–8, 310–12, 314
  - disseminating information 151
  - Front Office 248–9
  - improper disclosure 150–1
  - insider dealing 150
  - Marketing department 260
  - misleading behaviour 151
  - misuse of information 151
  - preventative actions 152–3
  - senior management 255
  - transaction manipulation 151
- market conduct 278–88, 292–3, 295, 301–2, 304–8, 310–12, 314
- market confidence 109

- marketing
  - the close 156
  - exchanges 66
- Marketing department 259–60
- market-making systems 67
- market manipulation 156–7
- market place organization 65
- Markets in Financial Instruments Directive (MiFID) 7, 8–11, 331–2
- measurement of performance 46, 270
- media 34, 108, 114
- mediation 114
- membership of professional bodies 141
- mergers 12
- MiFID (Markets in Financial Instruments Directive) 7, 8–11, 331–2,
- misleading behaviour 151
- misleading transactions 156
- Mission Statements 41–2
- misuse of information 151
- mitigation programmes 72
- MLRO reporting 206
- modifications of rules 105
- monetary benefits 34
- money-laundering
  - see also* anti-money-laundering
  - Operations department 271
  - process 339
  - statistics 333
  - Tax department 275
  - UK regulations 7–8
- monitoring activities 191–4
- More Principles-Based regulations (MPBR) 317–19
- mystery shopping 107
- NASDAQ 69
- NatWest 3 extradition case 323
- new offices 182
- non-regulatory bodies 63
- Northern Rock mortgage provider 335
- notification requirements 105–7
- novation, clearing houses 70
- Office of Public Sector Information
  - website 72–3
- Officers 17–24
  - attributes 22–4
  - benefits 30–7
  - characteristics 22–4
  - concept of compliance 18–20
  - job satisfaction 38–40
  - professional aspects 38–40
  - responsibilities 21–2
- ombudsman service, FOS 108, 112, 117
- Operational Risk department 269–70
- Operations department (Back Office) 271–4
- opportunity costs 37–8
- order and execution records 226–7
- orders
  - aggregation 225–6, 299, 303
  - electronic order book 67
  - handling 305
  - insolvency 117
  - limit 221
  - order/execution records 226–7
  - prohibition 116–17
  - restitution 117
- OTC (over the counter) trading 67
- outsourcing 182–4
- over the counter (OTC) trading 67
- overseas jurisdictions 5, 13, 77
- ownership concealment 157
- painting the tape 156
- Panel on Takeovers and Mergers 12
- PA (personal account) dealing 162–5, 244–6, 281–3, 287–8, 292, 301–2, 305–6, 308, 311–12, 314
- Part IV permission 105, 110, 113, 116
- passporting 143–5
- Patriot Act certificate 203–4
- PEPs (politically exposed persons) 204–6
- performance measurement 46, 270
- permission 105, 110, 113, 116, 212–13
- permitted activities 296, 299, 309
- per se eligible counterparties 186–7
- per se professional clients 186
- personal account (PA) dealing 162–5, 244–6, 281–3, 287–8, 292, 301–2, 305–6, 308, 311–12, 314
- Personnel department 256–9
- Pillars, CRD 321–2
- plans
  - advisory work 96–8
  - annual 129–30
  - remedial 127–8
- policies
  - procedures 125–6, 249–50
  - remuneration 290, 307
- politically exposed persons (PEPs) 204–6
- portfolio management 211
- powers, Charters 45
- price positioning 156–7
- pricing, exchanges 65
- principles-based regulations 88, 317–19
- private warnings 118
- procedures and policies 125–6, 249–50
- products 79–82
- professional aspects of compliance 38–40
- professional clients 186
- prohibition orders, FSA 116–17

- project work 134–5
- promotion 41–2, 108, 167–9, 231–2
- prompt execution rule 220–1
- propriety and fitness issues 292, 295, 297, 311
- prosecutions, FSA 118
- prudential regulation of capital adequacy 334–5
- pseudo-exchanges 67–8
- public censure 117
- pump and dump, market manipulation 157
- RAO 6–7, 10
- record-keeping 181
  - dilemmas 309–10
  - IT department 265
  - order/execution records 226–7
- regulations
  - advisory work 91–6
  - agreements 145–6
  - anti-money-laundering 11–12
  - breaches 109–11, 115–20
  - capital adequacy 334–5
  - documentation 82
  - enforcement 103–20
  - exchanges 65–9
  - inconsistencies 36–7
  - new developments 138–9
  - objectives 36
  - principles-based 88, 317–19
  - reasons for 36–7
  - training 126–7
  - UK environment 3–11
- regulators 36–7, 63–70
  - benefits of compliance 34
  - clearing houses 70
  - exchanges 64–9
  - relationship management 135, 296–7, 313
  - visits 136–7
- relationship management 135, 213–14, 296–7, 313
- remedial action plans 127–8
- remuneration policies 290, 307
- reporting
  - actuaries' reports 105
  - appointed representative 106
  - auditors' reports 105
  - controllers 106
  - FSA 139–40
  - MLRO 206
  - requirements 105–7
  - senior management 46
  - skilled persons 112
  - suspicious activity 199–200
  - systems-based 194
  - transactions 107
- reputation 34, 120
- research
  - controls 314
  - Front Office 212, 240–3
  - independence 294, 306–7
  - IT department 267
  - Marketing department 260
- responsibilities
  - Charters 43, 45–6
  - Officers 21–2
  - operating entities 53–6
  - senior management 18–20
- restitution orders 117
- restricted lists 160–2
  - dilemmas 282–4, 286, 292, 295, 304–6, 308
  - Front Office 248
- retail clients 186
- risk
  - ARROW 320
  - capital adequacy 334–5
  - Charters 43
  - concepts of compliance 16
  - FSA assessment visits 107
  - management 72, 256
  - Operational Risk department 269–70
  - regulatory register 131–4
  - warnings 298
- routine activities 87–8, 121–94
  - advisory work 134–5
  - agreements 145–6
  - annual plan 129–30
  - anti-money-laundering 195–207
  - Approved Persons 174–7
  - attestation 130
  - breaches of rules 170–1
  - charter maintenance 130
  - Chinese walls 157–9
  - client categorization 185–8
  - conflicts of interest 146–9
  - consultation papers 138
  - corporate knowledge 180–1
  - culture/ethics/integrity 122–3
  - data protection 179–80
  - disciplinary procedures 142–3
  - documentation 145–6
  - fees payment to FSA 140–1
  - financial promotions 167–9
  - fraud 190
  - inducements 165–7
  - industry developments 138
  - insider dealing 150
  - insider lists 159–60
  - internal relations 128–9
  - keeping up to date 141–2
  - litigation 169
  - management information 188–9
  - manual maintenance 123–4

- market abuse 149–53
- market manipulation 156–7
- membership of professional bodies 141
- monitoring activities 191–4
- new/non-standard transactions 177–8
- new offices 182
- new regulations 138–9
- outsourcing 182–4
- PA dealing 162–5
- passporting 143–5
- policies/procedures 125–6
- project work 134–5
- record-keeping 181
- regulatory training 126–7
- regulatory visits 136–7
- relationship management 135
- remedial action plans 127–8
- reporting to FSA 139–40
- restricted lists 160–2
- risks register 131–4
- rules mapping 138–9
- service providers 137–8
- supervision of group entities 131
- T&C 171–4
- voice-recording 178–9
- watch lists 160–2
- whistle-blowing 184–5
- rules
  - breaches 115–20, 170–1
  - Front Office 212–51
  - mapping 73–7, 138–9
  - waivers/modifications 105
- rules mapping 73–7, 138–9
  - bottom up approach 74–5
  - high/detailed levels 73–7
  - sample map 75–7
  - top down approach 74–5
- sales 210–11
- sanctions 198
- scandals 31–3
- scare tactics 103
- search and seizure powers, FSA 112
- senior management 83, 253–6
  - Charters 43
  - decision-making 97–8
  - dilemmas 295, 310
  - information flow 188–9
  - reporting to 46
  - responsibilities 18–20
  - TCF 340, 342
- serendipitous information 105, 108–9
- Serious Organized Crime Agency (SOCA) 267
- service providers 60–1, 137–8
- services 79–82
- settlement 70
- skilled person's report 112
- small firms 329
- SOCA (Serious Organized Crime Agency) 267
- status of exchanges 67
- statute law 4, 73
- stock exchanges *see* exchanges
- suitability requirements
  - dilemmas 279–81, 298–300, 307, 312
  - Front Office 222
  - Tax department 276
- supervision issues 131, 310–11
- support departments *see* Back Office and support departments; departments
- suspicious activity reporting 199–200
- switching 224–5
- systems-based reporting 194
- T&C *see* training and competence
- Takeover Code 12, 110
- takeovers 12, 65, 110
- taxation 82, 274–5
- Tax department 274–5
- TCF (Treating Customers Fairly) 260, 301–2, 313, 340–2
- terrorism 11–12
  - see also* counter-terrorism
- trade associations 114, 329
- trading 64, 82, 210–11
- training and competence (T&C) 171–4
  - dilemmas 295–8, 309–11
  - Front Office 227–8
  - HR department 257
  - Operations department 272
  - TCF 341
- training, regulatory 126–7
- transactions
  - false/misleading 156
  - market abuse 151
  - new/non-standard 177–8
  - reporting 107
- trash and cash, market manipulation 157
- Treating Customers Fairly (TCF) 260, 301–2, 313, 340–2
- UK *see* United Kingdom
- UK Statute Law Database website 73
- unenforceable agreements 119
- Unfair Terms Regulations 110
- United Kingdom (UK) 3–13
  - see also* Financial Services Authority
  - anti-money laundering 11–12
  - enforcement 103–20
  - extradition 323
  - FSMA/investment 5–8
  - legislation 4–5
  - overseas jurisdictions 5, 13

- UK *see* United Kingdom (*Continued*)
  - principles-based regulations 317–19
  - regulatory inconsistencies 36–7
  - regulatory regimes 3–13
  - scandals 31–3
  - statute law database 73
  - takeovers 12
- United Nations (UN) 11
- UN (United Nations) 9
  
- venture capital 187
- visits by regulators 136–7
- voice recording 178–9
  - dilemmas 285
  
- Front Office 230
- Operations department 273
  
- waivers of rules 105
- wash trades 156
- watch lists 160–2
  - dilemmas 282–4, 286, 292, 295, 304–6, 308
  - Front Office 248
- websites 72–3
- whistle-blowing 184–5
  - Front Office 250–1
  - FSA discovery methods 109
  - Operations department 274
- written policies/procedures 249–50

*Compiled by Indexing Specialists (UK) Ltd*