



## DPB UPDATE, ISSUE 7, NOVEMBER 2010

### Introduction

Welcome to Issue 7 of *DPB Update*. In this issue we're alerting you to survey of DPB licensed firms that the FSA will be conducting soon, and also to some changes in DPB licensing eligibility. There's also the opportunity for you to get involved with the Investment Business Committee.

### Contents

FSA survey of DPB licensed firms .....	1
Firms' eligibility to be DPB licensed .....	1
Notification of changes within the firm .....	2
FSA register of DPB firms .....	2
Investment Business Committee vacancies .....	2
Useful contact details .....	2

### FSA survey of DPB licensed firms

The FSA will shortly be emailing all DPB licensed firms asking them to participate in an online survey.

The survey aims to find out about the volumes and types of exempt regulated activities being carried out by firms and also whether firms are interpreting the incidental business test correctly. It should take you less than half an hour to complete the survey.

We encourage firms to respond to the questionnaire as it will provide data across all the DPBs, and you will be helping the FSA and ICAEW fulfil their oversight responsibilities in this area.

This is the second time the FSA has undertaken such a survey and last time chartered accountants had a higher response rate than firms of solicitors. We hope you will help us win again.

### Firms' eligibility to be DPB licensed

Some firms are adopting more complex structures that may result in all principals of the firm being limited companies or LLPs. Under the current DPB licensing arrangements, these firms cannot become or continue to be DPB licensed as the *DPB Handbook* requires at least one principal to be a natural (rather than a legal) person. From 1 January 2011, to enable such firms to be DPB licensed, a change has been made to regulation 2.03 to remove the requirement that at least one principal must be a member of one of the institutes. The handbook will be changed in time for the 1 January 2011 implementation date as will the application form to become DPB licensed. These changes have been agreed by the FSA.

Consequential amendments have also been made to ensure that in certain circumstances a role or function is undertaken by a natural person - see regulation 2.09 (service of documents), regulation 4.07 (complaints resolution) and the definition of contact partner.

You can view the revised *DPB Handbook* at [icaew.com/dpb](http://icaew.com/dpb)

## Notification of changes within the firm

Many firms still tell ICAEW about changes to their practice by making hand-written amendments to their annual return.

Regulation 2.07 of the *DPB Handbook* requires you to notify ICAEW in writing of any changes to a firm as soon as practicable, and within no more than 10 business days. This includes: any change of:

1. the firm's registered address;
2. the name or trading names of the firm;
3. the address(es) of the firm's offices;
4. any of the firm's principals;
5. the name or principal business address of any of the firm's principals; or
6. the name of the contact partner.

If you only tell us about these changes via an amendment to the annual return, the firm is likely to have breached the requirement to notify us within 10 business days and may face regulatory action.

## FSA register of DPB firms

The FSA maintains a register of all DPB licensed firms at [fsa.gov.uk/register/epfsearchform.do](http://fsa.gov.uk/register/epfsearchform.do). If you need to prove to a third party that you are DPB licensed, you can direct them there.

## Investment Business Committee vacancies

ICAEW is seeking chartered accountant members to join its Investment Business Committee. Ideally, members will have some FSA sector experience or experience in providing investment services in a DPB licensed firm.

The committee usually meets three times a year at Chartered Accountants' Hall in London for about two hours. You will also need to allocate some time to reading the agenda papers before each meeting.

If you're interested in joining the committee, please email a copy of your CV with a covering letter explaining how your knowledge, experience and attributes make you a suitable candidate to [fiona.lancaster@icaew.com](mailto:fiona.lancaster@icaew.com)

We always welcome general expressions of interest for membership of any committee. For details of current vacancies please visit [icaew.com/committees](http://icaew.com/committees)

## Useful contact details

DPB licensing helpline +44 (0)1908 546 370

ICAEW's investment business web pages [icaew.com/dpb](http://icaew.com/dpb)

Technical Advisory Services +44 (0)1908 248 025  
including technical, ethics & money laundering helplines

Complaints helpline +44 (0)1908 546 235

Practice Advisory Services +44 (0)1908 248 032

FSA website [fsa.gov.uk](http://fsa.gov.uk)

If you have any suggestions for articles for future editions of *DPB Update*, please email these to [tracy.stanhope@icaew.com](mailto:tracy.stanhope@icaew.com)