

26.04.2023

Dear Oodle Partner,

Please find attached our 'Standard Information Pack' which is issued to you in response to the guidelines and requirements of 'Consumer Duty' as articulated by the Financial Conduct Authority (FCA).

We would like to take this opportunity to highlight to you important regulatory requirements regarding 'commission disclosure'.

This topic has been high profile since the FCA's Motor Finance Review which included a mystery shopping exercise. It has also been highlighted as an 'issue' in the recent publication of the 'Wider Implications Framework' which is a joint body consisting of The Financial Ombudsman Service, FCA, Financial Services Compensation Scheme, The Pensions Regulator, and Money and Pensions Service.

In its simplest terms the Regulatory bodies have an expectation that you advise your customers of the existence and nature of commission during your sales process. If the customer should ask you the amount of commission, you are also expected to disclose this.

There is still a lot of discussion and debate oriented around this topic, with CMC activity becoming more common in this space. While the regulations will probably evolve, we strongly recommend that you proactively consider your processes and oversight in this sensitive area.

Useful Link:

CONC 4.5 Commissions: <https://www.handbook.fca.org.uk/handbook/CONC/4/5.html>

Regards,

Phillip Williams – Founder & Chief Commercial Officer