



## Guidance Note – Statement of Professional Standing (“SPS”)

### For Class 2 Financial Services Licenceholders

November 2017

#### What is an SPS?

A statement of professional standing is a document issued by a relevant professional body which confirms that an Isle of Man financial adviser holds a relevant Level 4 qualification, undertakes continuing professional development, and abides by the ethical standards of the professional body.

The requirement was implemented for all Isle of Man financial advisers advising retail clients to obtain an SPS with effect from 1<sup>st</sup> January 2015.

#### Why apply for an SPS?

Under Rule 8.5 (4) of the Financial Services Rule Book 2016, *“A licenceholder that is licensed to carry on activities falling within Class 2 must ensure that investment advice to retail clients is only provided by individuals that hold an ‘Isle of Man Statement of Professional Standing’ issued in the previous 12 months by a professional body accredited by the Authority.”*

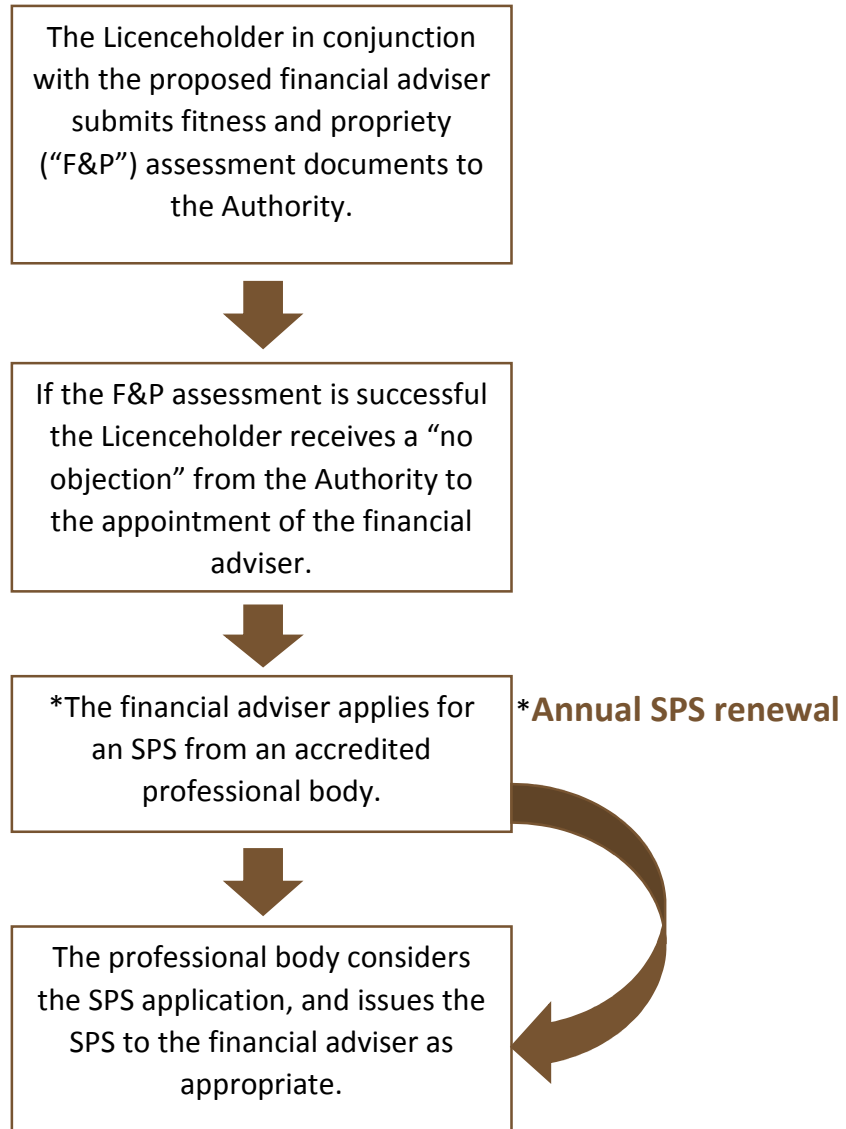
#### Professional Bodies

The following professional bodies have agreed to be an accredited body issuing SPS’s to financial advisers who provide investment advice to retail clients on the Isle of Man:-

- The Chartered Financial Analyst (“CFA”) Society of the UK
- The Chartered Institute of Securities and Investment (“CISI”)
- The Chartered Insurance Institute (“CII”)/The Personal Finance Society (“PFS”)
- The London Institute of Banking & Finance (“LIBF”)

## SPS Application and Renewal Process

### Applying for a new SPS



**Note:** A new SPS is required if a financial adviser changes their current employer and moves to another Licenceholder, and the process for applying for a F&P assessment should be followed.

*Status of Guidance: The Isle of Man Financial Services Authority issues guidance for various purposes, including to illustrate best practice, to assist licenceholders to comply with legislation and to provide examples or illustrations. Guidance is, by its nature, not law, however it is persuasive. Where a person follows guidance this would tend to indicate compliance with the legislative provisions, and vice versa.*