



Peer Review and Investor Authorisation

Adviser Guide

Financial Adviser use only

Integrated Financial Arrangements Ltd

A firm authorised and regulated by the Financial Conduct Authority

Q1. What is Peer Review and Investor Authorisation?

Transact's 'Peer Review' and 'Investor Authorisation' (IA) help reduce errors and risks to your business, with the added advantage of capturing a permanent record of activity that you can use for audit purposes. You can use them together or separately, however you prefer.

Peer Review allows advisers to tee-up a trade for their colleague to review before the trade is submitted to Transact or to a client for authorisation.

IA allows advisers to tee-up a trade and seek clients' permission to execute that trade in one easy step. The adviser and investor can communicate their wishes online in a secure, timely, convenient and auditable way.

These functionalities are available 24/7 and work on desktop and mobile devices.

The added advantages include:

- Trades only need to be keyed once
- Clear yes or no instruction from clients
- Mitigation of risks with additional checks and controls
- Ability to decide how long requests should remain open
- Complete audit trail of all recommendations and client acceptances
- Single view of all approved, pending and expired recommendations for easy monitoring and management of IAs
- Option to select Peer Review and IA in one submission.

Q2. How do they work?

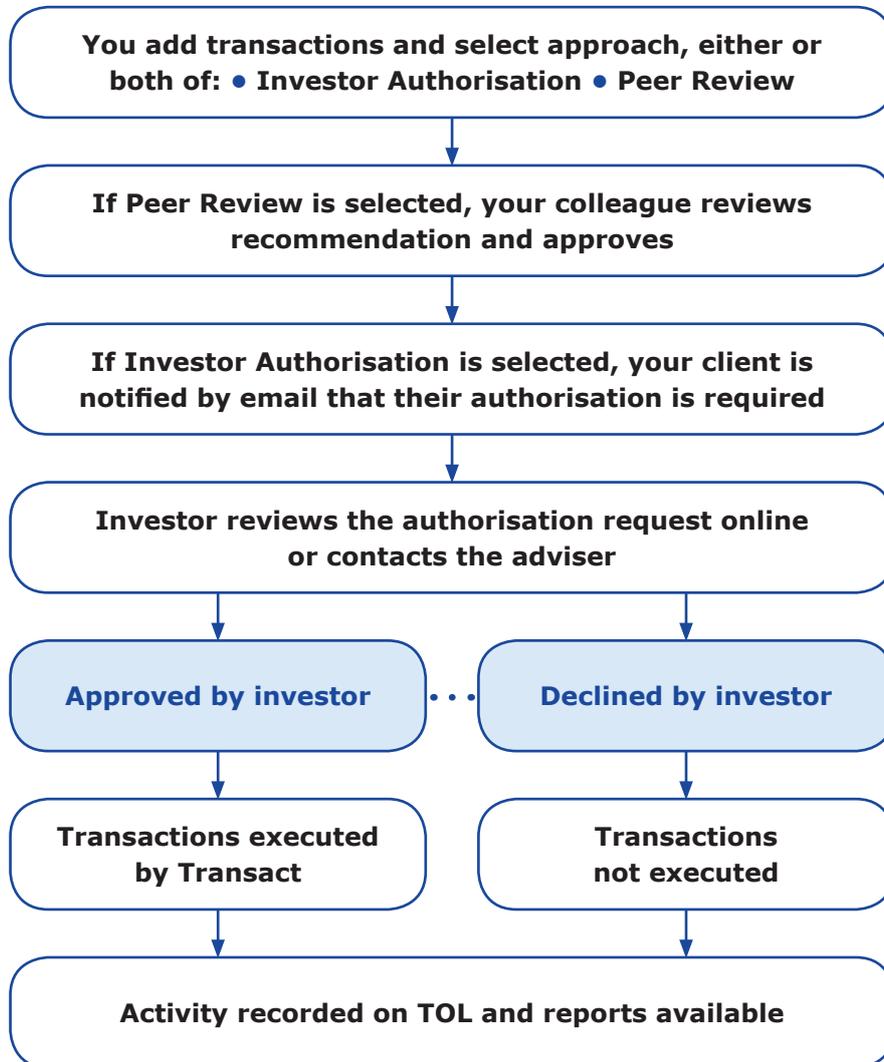
Firstly, add a trade instruction via Transact Online (TOL) and select Peer Review to seek a colleague's review, IA to seek the client's permission, or both. This part of the process is called 'publishing' the Peer Review/IA. No further keying of the trade is required.

If Peer Review is selected, once the request is published, a colleague can review the trade via TOL. If they approved the trade, the transaction is either sent to Transact to be executed or to the client for IA (if selected).

When seeking the investor's permission for a trade, which can be a combination of buy, sell, withdrawal or deposit, you can add a 'rationale' for the instruction. You can also attach accompanying documents. Transact will add the KIIDs for purchase if required.

The client is notified of the 'publication', logs into TOL and reviews the trade. They then authorise (or decline) the trade. Once the client authorisation has been given the trade is then executed by Transact.

Peer Review & Investor Authorisation – Flow Chart

**Q3. Which Transaction menus have the Peer Review and IA functionality?**

The following Transaction menus currently have the Peer Review and IA functionality:

- Buy / Sell
- Deposit
- Deposit then Buy
- Sell then Withdraw
- Withdrawal
- Template Rebalance.

Q4. What is the best way to explain IA to my client?

We have produced a template client email to help you (See Appendix 1), or you can discuss the process at your next client meeting.

Q5. How should I get started?

It may be best to start with clients who regularly log in to the Transact website and are comfortable with using the internet. As Transact will email your clients on your behalf (if you wish) it makes sense to choose a client who has registered their email address with Transact – although you can choose to communicate with your clients in the way that suits you.

Q6. Which of my clients is a regular Transact user?

You can see a list of your clients who regularly log in via Reports → Access Summary. If you Search by Event type 'Logged in to Transact' for the last 90 days, then that should give you a good idea of those who would probably pick up the concept relatively easily due to their familiarity with the Transact website.

Q7. My client is interested but has lost their Password. What do you suggest?

No problem. Please ask your client to call us on **(020) 7608 5350** explaining that they would like to be issued with a new Password. After taking your client through our security process, we will send a new Password letter to their address.

Q8. What about my clients who aren't very internet savvy?

No problem. You can add the trade and IA (as described above). You can communicate in any way you choose with your client. Once they have given you their authorisation, you can authorise the trade and add a note to record how they gave their permission. The authorisation will be clearly marked as being done by you (the adviser). So, the audit remains accurate. However, we feel that as long as clients can log in, the process is so straightforward and intuitive that even those unfamiliar with the Transact website will be able to follow and authorise the IA.

Q9. What if I want to change or cancel a Peer Review or IA request after I have published it?

No problem. You can change or cancel the Peer Review or IA request before it has been authorised.

Q10. Can I discuss a Peer Review or IA request with Transact staff?

Absolutely. Our staff will be happy to explain how to set up Peer Review or IA request. Our Adviser Support Managers (ASMs) can come to your office if you would like a more in-depth explanation.

Q11. What happens if circumstances change and an IA trade can no longer be executed by Transact even if the client authorised it?

No problem. Transact manages such a scenario. Say, for example, your recommended trade is to sell 100 units of Fund ABC. If, before your client logs in and authorises the trade, another instruction or process reduces the number of units held by the client to 90 then Transact will set the IA status to 'Attention required' by you. The IA will be withdrawn from the investor's view. Basically, where Transact can predict that a trade will not be able to be executed we shall highlight this to you.

Q12. Will IA delay a trade?

No. In fact, the time between your advice and the execution of a trade will be faster with IA where you no longer need to rely on Royal Mail and no longer need to re-key trades into Transact Online after client authorisation has been given. If a trade is authorised before 1pm we will execute it as normal. After 1pm it will be executed the following business day, as normal.

Q13. Peer Review and IA could be very useful to me. But how do I keep on top of it all?

This is where we have spent a great deal of time. When you publish an IA you will receive a copy of the emails you choose to send to your client. When you want to see the status of one or all of your Peer Review and IA requests, you can view them on the Transactions → Manage Authorisation Requests page. When you want to look at historic Peer Review or IA requests go to Reports → Authorisation Request Report – you can download a file of the Peer Review and IA requests and any documents you attached to the IA. Each IA has its own unique identifier if you wish to record them in a systematic way. And so on.

Appendix 1: Email for clients – Introductory email

Dear <Client>

We'd like to introduce to you a more efficient way of managing the trading approval process of funds within your Portfolio.

As you are aware, we normally send fund switch recommendations to you <via email><via post> and request authorisation from you prior to making any changes to your investments.

Transact has a facility called 'Investor Authorisation' which enables us to recommend a fund switch to you and request your authorisation via their website. You will be notified <by email in the same way but the email will come via Transact on our behalf> <include adviser's preference>. The email will notify you that an authorisation request is waiting for you and provide a link for you to log in to your Transact account to view the recommended transaction and accept or decline. The transaction will then be executed by Transact as per your instruction.

<I noticed that you do not have an email address registered with Transact and the new notification system works very well if your email address is recorded with Transact. Please can you log in to your Portfolio and go to the 'Housekeeping' tab and then to 'Personal Details'. This will allow you to add an email address of your choice. You will need your Password in order to log in. If you need a new Password please let me know and I will arrange this for you.>

This new process should mean a more efficient and secure service for our clients which – in the same way as everything on Transact – is available to you 24/7.

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"Transact" is operated by Integrated Financial Arrangements Ltd, 29 Clement's Lane, London EC4N 7AE.

Tel: (020) 7608 4900 Fax: (020) 7608 5300 email: info@transact-online.co.uk web: www.transact-online.co.uk

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