



The Association of Professional Compliance Consultants

Professional Standards for Member Firms

Examples of Conflicts of Interest

The APCC requires its members to have a conflicts of interest policy in place. Examples of what the APCC considers to be conflicts of interest include (but are not limited to);

- (i) Acting for two firms who are competing for the same customers – this could be a conflict which would be dealt with by the usual client confidentiality procedures
- (ii) Preparing a S166 report on areas within a regulated firm on which the member firm had directly advised – this would be a conflict and would not normally be acceptable. Where it is the firm would have to justify the appointment.
- (iii) Preparing a health check report on areas within a regulated firm where the member firm (or an associate) provides substantial compliance support
- (iv) Senior consultants in the APCC member firm are also approved persons in a regulated firm – this may be a conflict of interest, it is certainly a reputational risk. If the APCC member provides compliance reviews to the firms in which its senior consultants are also members of the governing body then there is likely to be a conflict of interest which the APCC member firm will need to deal with appropriately.
- (v) An APCC member firm is part of a group with regulated firms in it – this may be a conflict of interest, it is certainly a reputational risk. If the APCC member provides compliance reviews on group firms then there is likely to be a conflict of interest which the APCC member firm will need to deal with appropriately.
- (vi) Acting for two firms which are on different sides of the same transaction, e.g. regulatory due diligence on a take-over