

## UK Local Authority Client Opt-Up Process

STAGES	TIMELINE	GUIDANCE
<p><b>Preparatory Stage</b> Finalise standard opt-up process</p>	<p>End July 2017</p>	<ul style="list-style-type: none"> <li>(i) Finalise industry standard quantitative and qualitative questionnaire;</li> <li>(ii) Finalise request and consent letter from Local Authority to be opted-up; and</li> <li>(iii) Finalise response letter from investment firms agreeing to the opt-up.</li> </ul>
<p><b>Stage 1</b> Local authorities to complete letter and questionnaire and send to investment firms</p>	<p>August – September 2017</p>	<p>Local authorities to complete and send investment firms:</p> <ul style="list-style-type: none"> <li>(i) request and consent letter to be opted-up to professional client status; and</li> <li>(ii) completed quantitative and qualitative questionnaire (to allow investment firms to satisfy themselves that the local authority passes the qualitative test).</li> </ul>
<p><b>Stage 2</b> Investment Firms to validate the information and run the client status assessment</p>	<p>September – October 2017</p>	<p>Investment firms to validate information received from local authorities to determine information is (i) sufficient; and (ii) appropriate.</p> <p>Assess the information received by the local authority and confirm that it:</p> <ul style="list-style-type: none"> <li>(i) has provided the request and consent letter to be treated as a professional client; and</li> <li>(ii) passes (i) the quantitative test and (ii) the qualitative test</li> </ul> <p>Log and store the local authority information and the results of the internal assessment.</p>
<p><b>Stage 3</b> Dispatch the confirmation letter to LA clients confirming professional client status</p>	<p>October 2017</p>	<p>If a local authority has provided the request and consent letter and has satisfied the requirements for both:</p> <ul style="list-style-type: none"> <li>(i) the quantitative test; and</li> <li>(ii) the qualitative test, send a letter confirming the classification of the client as a professional client.</li> </ul>
<p><b>Stage 4</b> Client re-categorisation</p>	<p>3 January 2018</p>	<p>Once the steps above are complete, as of 3 January 2018, the firm may continue to treat the local authority as a professional client.</p>