

## MIFID II. ARE YOU COMPLIANT?

On the 3rd January 2018 the Financial Conduct Authority launched the Markets in Financial Instruments Directive (MiFID II) in what has been considered the biggest shakeup in the Financial Services industry in a decade.

### What is MiFID II?

Firms in the financial sector are now held to new regulations on any conversation or electronic communication relating/leading to trading activity. Firms are required to capture and appropriately store communication including emails, fixed and mobile telephone calls, SMS and face to face meetings. Failure to comply could lead to financial penalties of up to 10% of global turnover.

### Overview of telephony regulations

- All calls relating to financial trade must be recorded (including internal calls)
- Calls must be retained for 5-7 years
- Access to call recordings must be restricted, monitored, auditable and the data must be encrypted
- Calls must be searchable by date/time, extension and outbound CLI
- If mobile devices cannot be appropriately secured then they must not be used for any conversation regarding a financial trade



### What should you do now?

With the regulations already in place firms should make an immediate assessment of all aspects of their business communications, specifically the call recording of all telephone calls. Firms should review company policies to ensure staff take the right action to comply with MiFID II, specifically the use of a mobile phone when discussing a financial trade. Where firms already have call recording in place this should also be reviewed to confirm if it complies with MiFID II requirements.

If you would like further advice or a quotation for a MiFID II compliant call recording solution please contact your Spitfire Account Manager on **020 7501 3150**