

thanks

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**From:** Katherine Stead

**Sent:** 19 July 2018 10:37

**To:** Aamir Akram [REDACTED]; Max Kleinert [REDACTED]

**Cc:** Clifford Fourie [REDACTED]; Oliver Bettin [REDACTED]; Iain Macara [REDACTED]

**Subject:** Family Office Initiative - Follow Up [I]

Classification: **For internal use only**

Further to our call this morning, the following thoughts come to mind where we have a FO's being covered exclusively by KCP employees who are accessing GM systems:

- Who will be ACO for these clients (for co-covered clients we have a GM ACO, but this will not be the case for these clients)
- Does this initiative undermine the co-covered model which has been operating up until this point.
- How will KCP booked trades be identified?
- What S&A checks will be performed by KCP? Where will they be documented? Who in compliance will review? (markets or KCP)
- What will be the ongoing monitoring of trades executed by KCP?
- Do the KCP folks need to be subject to certain of the Markets supervisory controls?
- Do the KCP folks need to receive the same training (Compliance/Business) as Markets people

More fundamentally, I think the SLA needs to be reviewed and consider re-executing under the new management structure. Specifically Yanni Pipilis and Stefan Hoops need to be party to the agreement. Furthermore, if Yanni stated to Todd that KCP need to own the product (as opposed to client) appropriateness, then this is a fundamental change in what is currently drafted in the SLA.

I have cc'ed Iain who runs Mercury for Markets and can comment on the ACO situation.

Also cc Cliff who is the BM for our WIS desk who is familiar with the existing status quo and will be the point person for ICG.

Thanks.

Kind Regards,  
Katherine

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