SEPTEMBER 2026

SPOT Inspections

Summary of SPOT inspections relating to telephone conversation recordings by asset management companies

AUTORITÉ DES MARCHÉS FINANCIERS

AUTORITÉ DES MARCHÉS FINANCIERS

1. CONTEXT 3

2. SCOPE 3

2.1 PRESENTATION OF THE SAMPLE OF AMCs INSPECTED 3

2.2 THEMES AND METHODOLOGY APPLIED 4

2.3 APPLICABLE REGULATIONS 4

3. FINDINGS AND ANALYSIS 6

3.1 TELEPHONE CONVERSATION RECORDING AND RECORDING RETENTION POLICY 6
3.1.1. Existence of a policy that is regularly updated and approved by a senior manager 6
3.1.2. Reference to activities covered by telephone recordings 7
3.1.3. Reference to the recording archiving and retention processes 7
3.1.4. Reference to the recording erasure process 8

3.2 Scope of application of the recordings 9
3.2.1 Fixed lines actually recorded 10
3.2.2 Mobile telephones actually recorded 10
3.2.3 Recording of telephone conversations relating to the collective investment management and discretionary management businesses 11
3.2.4 Recording of telephone conversations related to the RTO business 11

3.3 ACCESS TO AND CONFIDENTIALITY, INTEGRITY AND RETENTION OF THE RECORDINGS 12
3.3.1 Recording retention and erasure 12
3.3.2 Access to recordings by authorised persons 13
3.3.3 Access to recordings by the employees recorded 13
3.3.4 Reference in the business continuity plan to the measures to be taken in the event of a telephone system outage 13

3.4 INFORMATION PROVISION TO THE PEOPLE RECORDED AND EMPLOYEE TRAINING 14
3.4.1 Provision of information to recorded persons from outside the AMC 14
3.4.2 Information provision to employees 15
3.4.3 Employee training 15

3.5 PERMANENT AND PERIODIC CONTROLS 16
3.5.1 Permanent control plans 16
3.5.2 Second-level controls related to order processing 16
3.5.3 Other second-level controls relating to telephone recordings 16
3.5.4 Periodic controls 17

AUTORITÉ DES MARCHÉS FINANCIERS

1. CONTEXT

As announced in its supervisory priorities for 2025[1], the *Autorité des Marchés Financiers* (AMF) has conducted a SPOT (Operational and Thematic Supervision of Practices) inspection campaign on telephone conversation recordings at five asset management companies (AMCs).

The Monetary and Financial Code establishes a general obligation for AMCs to record all the services they have provided and all the transactions they have carried out. This recording-keeping includes recordings of telephone conversations that may lead to the provision of an investment service or the conclusion of a transaction. The same obligation applies to investment services providers other than AMCs. The AMF conducted a SPOT inspection campaign on these market participants in 2020.[2]. Therefore, this summary covers record-keeping obligations in respect of the collective investment management and investment services businesses carried out by AMCs.

At AMCs, there has been a gradual decrease in orders being placed by telephone, due to the widespread use of electronic trading tools. The results of a questionnaire sent to all French AMCs during the summer of 2025 confirmed this trend, with only 19% of respondents indicating that they use voice order placement. Moreover, at the AMCs that do use it, the voice channel is becoming marginal in volume and can, therefore, appear as secondary in control systems.

However, this development should not lead to compliance issues being downplayed. Indeed, transactions concluded by telephone are subject to specific requirements for the recording, storage and traceability of the conversations. The operational implementation of these requirements is generally more complex and more restrictive than for transactions carried out via electronic systems, for which time-stamping, archiving and audit trail functionalities are natively integrated.

Therefore, although quantitatively less frequent, the telephone channel poses a potentially increased level of operational risk and non-compliance, justifying the maintenance of specific vigilance in internal control systems.

This document does not represent an opinion or recommendation. The practices identified as 'good' or 'poor' highlight the approaches observed during the inspections and analyses carried out, which are likely to encourage or discourage compliance with the rules applicable to telephone conversation recording. The regulatory reminders provided in the boxes in section 3 correspond to regulatory breaches identified during the inspections of the institutions on the panel.

2. SCOPE

2.1 PRESENTATION OF THE SAMPLE OF AMCS INSPECTED

The panel of AMCs inspected is set out in the table below.

	AMC 1	AMC 2	AMC 3	AMC 4	AMC 5
UCITS assets under management	Between €0.1bn and €1bn	-	-	Between €0.1bn and €1bn	Over €1bn
AIF assets under management	-	Under €0.1bn	Under €0.1bn	Under €0.1bn	Over €1bn

[1] https://www.amf-france.org/en/news-publications/publications/annual-reports-and-institutional-publications/amf-supervisory-priorities-2025.

[2] https://www.amf-france.org/en/news-publications/publications/spot-inspection-campaigns/summary-spot-inspections-recording-telephone-conversations-and-electronic-communications-and.

	AMC 1	AMC 2	AMC 3	AMC 4	AMC 5
Assets under discretionary management	Under €0.1bn	Between €0.1bn and €1bn	Between €0.1bn and €1bn	Between €0.1bn and €1bn	-
Investment advice business	Yes	Yes	Yes	Yes	No
Order reception and transmission (RTO) business	No	No	Yes	Yes	Yes
Number of orders placed between 2023 and 2025	7,025	3,630	453	46,000	54,226
Number of orders placed by voice between 2023 and 2025	73	310	15	429	2,691
Part of a group	No	Yes	Yes	No	Yes
Clients	Primarily retail	Professional and retail	Primarily retail	Majority retail clients	Professional and retail

2.2 THEMES AND METHODOLOGY APPLIED

The work encompassed:

- the policy for recording and storing telephone recordings;
- analysing the scope of telephone recordings;
- verifying access to and the confidentiality, integrity and storage of the telephone conversations;
- the information provided to the persons recorded and employee training; and
- the permanent and periodic checks carried out on this subject.

The inspections covered the period from 1 January 2023 to 31 December 2025.

2.3 APPLICABLE REGULATIONS

The analyses carried out were based on the following texts:

- the Monetary and Financial Code (‘**MFC’**);
- Delegated Regulation (EU) No 231/2013 of 19 December 2012 (‘**AIFM DR’**);
- Delegated Regulation (EU) No 2017/565 of 25 April 2016 (‘**MiFID II DR’**); and
- the AMF General Regulation (‘**AMF GR**’).

The table below lists the main sources of law on which the AMF has based its work.

Subject	AIF management[3]	UCITS management[4]	Investment services
Telephone conversation recording and recording retention policy			
Implementation of a formalised policy for telephone recordings	57 2) and 61 1) of the AIFM DR	321-24 and 321-30 of the AMF GR	21 1) and 2), 22 1) and 76 1) of the MiFID II DR
Identification of the communications to be recorded	L. 533-10 I 5° of the MFC and 64 1) of the AIFM DR	L. 533-10 I 5° of the MFC and 321-69 (I and II) of the AMF GR	L. 533-10 II 6° and III of the MFC and 76 1) (a) of the MiFID DR II
Procedure in the event of recording impossibility (data continuity and backup)	57 3) of the AIFM DR	321-25 of the AMF GR	21 3) and 76 1) (b) of the MiFID II DR
Determining the retention period for the recordings	66 1) of the AIFM DR	321-73 of the AMF GR	L. 533-10 III of the MFC and 76 8) of the MiFID II DR
Technical means of retention	66 3) of the AIFM DR	321-71 of the AMF GR	72 of the MiFID II DR

[3] Applicable to AMCs subject to the full scope of the AIFM Directive.

[4] Also applicable to AMCs that manage AIFs that are under the AIFM Directive thresholds that have not opted to apply the full scope of this directive.

Quality, completeness and accuracy of the records	58 of the AIFM DR	321-69 (I and II) of the AMF GR	76 10) of the MiFID II DR
Scope of application of the telephone recordings			
Determining the relevant persons	-	321-72 of the AMF GR	L. 533-10 III of the MFC and 76 4) of the MiFID II DR
Perimeter of the relevant instruments and orders	L. 533-10 I 5° of the MFC and 64 1) of the AIFM DR	L. 533-10 I 5° of the MFC and 321-69 of the AMF GR	L. 533-10 II 6° and III of the MFC and 76 of the MiFID II DR
Access to, and confidentiality, integrity and retention of the recordings			
Data security and confidentiality	57 2) and 58 2) of the AIFM DR	321-24 of the AMF GR	21 2) of the MiFID II DR
Traceability of amendments	66 3) (b) of the AIFM DR	321-71 of the AMF GR	72 of the MiFID II DR
Access by the competent authorities	66 3) (a) of the AIFM DR	321-71 of the AMF GR	72 of the MiFID II DR
Prohibition on recording manipulation	66 3) (c) of the AIFM DR	321-71 of the AMF GR	72 of the MiFID II DR
Information provision to the people recorded and employee training			
Information provision to employees	57 1) (b) of the AIFM DR	321-23 (III) and 321-73 of the AMF GR	21 1) (b) of the MiFID II DR
Information provision to clients	-	-	76 8) of the MiFID II DR
Accessibility and availability of the recordings to clients	-	-	76 10) of the MiFID II DR
Employee training	-	-	76 5) of the MiFID II DR
Permanent and periodic controls			
Permanent control	57 1) (c) and 6), and 61 2) of the AIFM DR	321-23 (IV), 321-27 and 321-31 (I.1) of the AMF GR	21 1) (c) 5), 22 1) and 76 6) of the MiFID II DR and 312-40 of the AMF GR
Periodic control	62 1) of the AIFM DR	321-83 of the AMF GR	24 of the MiFID II DR

Provisions of the General Data Protection Regulation

The telephone conversation recordings contain the personal data of each of the interlocutors and must therefore comply with the requirements of the General Data Protection Regulation (Regulation (EU) 2016/679, '**GDPR'**). This regulation includes, in particular, the following provisions:

- **Article 5 of the GDPR:** *'1. Personal data shall be:*
  (a) processed lawfully, fairly and in a transparent manner in relation to the data subject ('lawfulness, fairness and transparency');
  (b) collected for specified, explicit and legitimate purposes and not further processed in a manner that is incompatible with those purposes; [...]
  (c) adequate, relevant and limited to what is necessary in relation to the purposes for which they are processed ('data minimisation') [...]';
- **Article 6 of the GDPR:** *'Processing shall be lawful only if and to the extent that at least one of the following applies: [...]*
  (a) the data subject has given consent to the processing of his or her personal data for one or more specific purposes;
  (b) processing is necessary for the performance of a contract to which the data subject is party or in order to take steps at the request of the data subject prior to entering into a contract;
  (c) processing is necessary for compliance with a legal obligation to which the controller is subject;
  (f) processing is necessary for the purposes of the legitimate interests pursued by the controller or by a third party, except where such interests are overridden by the interests or fundamental rights and freedoms of the data subject which require protection of personal data, in particular where the data subject is a child. […]'.

The *Commission Nationale de l'Informatique et des Libertés* (CNIL) has published several fact sheets on its website explaining how to apply these principles[5], particularly when telephone conversation recording devices are used[6].

Consequently, an AMC may only make permanent and systematic recordings of its employees' telephone conversations if such recordings arise from a legal obligation stipulated by a legal or regulatory act that mandates it in a sufficiently clear and precise manner[7]. On the other hand, when the recording pursues a purpose not explicitly arising from a legal obligation, for example an internal control objective to ensure that an employee does not provide investment services by telephone, the CNIL considers that this can only be done by sampling, on an *ad hoc* and random basis, and must be subject to the guarantees set out in its fact sheet 'Listening to and recording calls in the workplace' (employee rights, persons authorised to access the data, security, informing people, etc.). Each AMC is responsible for ensuring that its telephone conversation recording system complies with the provisions of the GDPR.

3. FINDINGS AND ANALYSIS

3.1 TELEPHONE CONVERSATION RECORDING AND RECORDING RETENTION POLICY

Striking a balance between the requirements arising from the financial regulations and those resulting from the framework applicable to the protection of personal data is particularly delicate with regard to telephone conversation recording devices, especially in terms of two main aspects: the scope of the communications to be recorded and the period for which the recordings are retained.

The financial regulations lead market participants to favour a broad approach, both with regard to the persons and communications covered, and in terms of the recording retention period in order to ensure the traceability of operations and limit the risks of non-compliance.

Conversely, the framework laid down by the GDPR is based on principles of data minimisation and retention limitation, implying that only that data strictly necessary for the purposes pursued should be collected and retained for a proportionate duration.

This results in normative tension between, on the one hand, a prudential rationale aimed at extending the scope and duration of recording retention for evidentiary and control purposes and, on the other hand, a requirement of strict proportionality intended to guarantee the rights and freedoms of data subjects. In practice, this trade-off implies putting finely calibrated policies in place to reconcile these requirements, in particular by means of a precise definition of the perimeter of communications recording and a documented justification of the retention periods chosen.

3.1.1. Existence of a policy that is regularly updated and approved by a senior manager

On the panel, AMCs 2, 4 and 5 had created a policy dedicated to telephone conversation recording. AMC 3 had, since 1 October 2025, a procedure more broadly dedicated to the management of its telephone system, which

[5] The six key principles of the GDPR: https://www.cnil.fr/fr/comprendre-le-rgpd/les-six-grands-principes-du-rgpd (French only).
The principles of purpose limitation and data minimisation: https://www.cnil.fr/fr/passer-laction/definir-une-finalite (French only).

[6] Recording calls in the workplace: https://www.cnil.fr/fr/lecoute-et-lenregistrement-des-appels-sur-le-lieu-de-travail (French only).
BYOD, good practices: https://www.cnil.fr/fr/byod-quelles-sont-les-bonnes-pratiques (French only).

[7] The 'legal obligation' legal basis: https://www.cnil.fr/fr/les-bases-legales/obligation-legale (French only).

included provisions concerning telephone recordings. Prior to this date, these provisions were scattered across several procedures (order placement, data retention and archiving, IT charter and code of ethics).

AMC 1 had drawn up a procedure entitled 'Recording, retention and archiving of data and files', but this procedure did not include provisions relating to telephone recordings before 10 February 2024.

All these policies and procedures had been approved, either directly by one of the AMC's senior managers or by a committee on which they sit (management committee, or compliance and internal control committee).

3.1.2. Reference to activities covered by telephone recordings

The policies of AMCs 1 and 4 listed the recorded telephone lines. AMC 1 had indicated in its order processing procedure in effect before 23 June 2023 that voice orders were prohibited, whereas in practice this prohibition had been lifted at the end of 2022. The policy at AMC 5 set out the functions of the people whose telephone extensions were recorded, giving reasons for the recording for each of these functions. AMCs 2 and 3 had simply indicated that telephone conversation recording applied to all their employees.

3.1.3. Reference to the recording archiving and retention processes

The policies of all the AMCs on the panel mentioned the archiving of telephone conversation recordings. However, defining the retention period for these recordings seems to have raised many questions and hesitations.

On the panel, three AMCs (AMC 1 prior to February 2024, AMC 2 prior to September 2025 and AMC 5) had not defined the retention period for their recordings in their policy. In its pre-February 2024 policy, AMC 1 had even indicated that it did not archive the recordings but rather relied on those of the brokers with whom it placed orders by voice.

Furthermore, three AMCs on the panel modified the retention period during the period under inspection: AMCs 1 and 3 extended it from five years to seven years in May 2025 and October 2025 respectively and, conversely, AMC 4 reduced it from seven years to five years in June 2025.

Retention period for telephone conversations recordings

The regulatory provisions governing the duration of recording retention at the AMCs differ depending on the activity concerned:

- for the provision of investment services, this period is five years (Articles 76 8) of the MiFID II Regulation and L. 533-10 (III) of the MFC);
- for the management of AIFs, this period is at least five years (Article 66 1) of the AIFM DR);
- for the management of UCITS, this period is at least six months and cannot exceed five years (Article 321-73 of the AMF GR).

For asset management companies engaged in multiple activities, implementing differentiated retention periods based on the nature of the activity appears complex from an operational perspective. In this context, defining a uniform retention period of five years, corresponding to the common denominator of the aforementioned provisions, constitutes good practice.

In addition, Articles 76 8) of the MiFID II DR and L. Article 533-10 (III) of the MFC provide that this five-year period may be extended to seven years at the request of the competent authority. This power corresponds to

a specific situation, implying that asset management companies must be technically able to extend the retention period, without calling into question the principle of a standard five-year period. In this regard, explicitly providing in internal procedures for a retention period of five years with the possibility of extending it to seven years in the event of a request from the competent authority constitutes good practice.

3.1.4. Reference to the recording erasure process

On the panel, no AMC had explicitly formalised, in its policy, the process for erasing recordings at the end of the retention period chosen. This point is of particular importance, both with regard to effective compliance with retention periods and in relation to the need to supervise the erasure methods strictly, in order to avoid any alteration to or premature erasure of the recordings during their retention period.

Regulatory reminders[8]

- **Article 21 1) of the MiFID II DR**: *'1. Investment firms shall comply with the following organisational requirements: (a) establish, implement and maintain decision-making procedures and an organisational structure which clearly and in documented manner specifies reporting lines and allocates functions and responsibilities;* [...]
  (f) maintain adequate and orderly records of their business and internal organisation […]
  2. 'Investment firms shall establish, implement and maintain systems and procedures that are adequate to safeguard the security, integrity and confidentiality of information, taking into account the nature of the information in question';
- **Article 22 1) of the MiFID II DR**: *'1. Investment firms shall establish, implement and maintain adequate policies and procedures designed to detect any risk of failure by the firm to comply with its obligations under Directive 2014/65/EU, as well as the associated risks, and put in place adequate measures and procedures designed to minimise such risk and to enable the competent authorities to exercise their powers effectively under that Directive.*
  Investment firms shall take into account the nature, scale and complexity of the business of the firm, and the nature and range of investment services and activities undertaken in the course of that business'.
- **Article 76 1) of the MiFID II DR**: *'1. Investment firms shall establish, implement and maintain an effective recording of telephone conversations and electronic communications policy, set out in writing, and appropriate to the size and organisation of the firm, and the nature, scale and complexity of its business. The policy shall include the following content:*
  (a) the identification of the telephone conversations and electronic communications, including relevant internal telephone conversations and electronic communications, that are subject to the recording requirements in accordance with Article 16(7) of Directive 2014/65/EU; and
  (b) the specification of the procedures to be followed and measures to be adopted to ensure the firm's compliance with the third and eighth subparagraphs of Article 16(7) of Directive 2014/65/EU where exceptional circumstances arise and the firm is unable to record the conversation/communication on devices issued, accepted or permitted by the firm. Evidence of such circumstances shall be retained and shall be accessible to competent authorities';
- **Article L. 533-10 II 6° and III of the MFC**: *'II. Investment service providers other than asset management companies:* […] *6° Shall keep a record of all the services they provide and all the transactions they carry out, enabling the Autorité des Marchés Financiers to perform its supervisory duties and to inspect compliance by*

[8] Only those provisions applicable to AMCs providing investment services are cited. For the equivalent provisions applicable to AMCs subject to the provisions of the UCITS Directive and to AMCs managing AIFs that are not subject to the AIFM Directive regime and AMCs subject to the full scope of the AIFM Directive regime, please refer to the table in section 2.3.

providers with all their professional obligations, including with regard to their clients or potential clients and in terms of the integrity of the market […].

III. The recordings referred to in II 6° include the recording of telephone conversations or electronic communications relating, at least, to transactions concluded when dealing on own account and providing services relating to client orders which concern the receipt, transmission and execution of client orders. They also include the recording of telephone conversations or electronic communications aimed at leading to transactions concluded in the context of dealing on own account or the provision of client order services relating to the receipt, transmission and execution of client orders, even if these conversations and communications do not lead to the conclusion of such transactions or the provision of client order services.

These recordings shall be provided to the relevant clients upon their request. They shall be retained for a period of five years and, when the Autorité de Contrôle Prudentiel et de Résolution or the Autorité des Marchés Financiers considers it useful, for a period of up to seven years.

The providers concerned shall:

1° Take all reasonable measures to record the relevant telephone conversations and electronic communications which are made, sent or received using equipment supplied by them to an employee or contractor, or whose use by an employee or contractor has been approved or authorised by them;

2. Take all reasonable measures to prevent an employee or contractor from making, sending or receiving the telephone conversations and electronic communications in question using private equipment that they are unable to record or copy;

3° Notify their clients that the communications or telephone conversations with their clients which lead to or are likely to lead to transactions are recorded. This notification can only be made once, before providing investment services to clients;

4° Not provide investment services by telephone to clients who have not been informed in advance that their communications or telephone conversations are being recorded, when these investment services relate to the receipt, transmission and execution of client orders. Clients may place orders through other channels, provided that such communications are made using a durable medium. Such orders shall be considered equivalent to orders transmitted by telephone'.

Good practices

- Setting the retention period for all telephone conversation recordings at five years, with the possibility of extending this to seven years at the request of the competent authority;
- Setting out, in the policy, the functions of the people whose telephone extensions are recorded, giving reasons for recording for each function.

Poor practice

- Not collating all the provisions applicable to the telephone conversation recording system into a single policy.

3.2 SCOPE OF APPLICATION OF THE RECORDINGS

Under Article L. 533-10 III of the MFC, the recording of telephone conversations is required when these conversations relate to the provision of certain services and when they are 'aimed' at the provision of these

services, even if they do not ultimately lead to a transaction being concluded. This results in uncertainty when ascertaining the scope of services covered by the recording obligation.

Recording of telephone conversations related to the provision of investment advice

While Article L. 533-10 III of the MFC explicitly mentions the service of the reception and transmission of orders, but not the service of investment advice, it does, however, stipulate that the recordings include *'telephone conversations* [...] *aimed at leading to transactions concluded in the context of* [...] *the provision of client order services relating to the receipt, transmission and execution of client orders, even if these conversations and communications do not lead to the conclusion of such transactions or the provision of client order services'.*

Therefore, a telephone conversation related to the provision of investment advice could, as such, be subject to the legal recording obligation provided that it is aimed at leading to transactions. Thus, if the AMC has both authorisation and an agreement for advice and RTO, or if it provides an order handling service when it markets UCITS or AIF units or shares, it will have to record all the conversations likely to include both the provision of advice and order placement.

This recording must be carried out using a risk-based approach determined by the AMC to distinguish between conversations related to the provision of investment advice services that should or should not be recorded, depending on whether they can or cannot lead to the conclusion of a transaction. This approach will need to be justified and formalised within the framework of its telephone conversation recording policy, and its implementation documented.

3.2.1 Fixed lines actually recorded

The inspection team verified compliance with the provisions of the policy in terms of the fixed lines actually recorded and noted several deficiencies. Firstly, AMC 2 did not record any telephone lines between July 2022 and August 2023 following an incident identified *a posteriori* by internal control. Thus, the AMC did not retain an audit trail for 47 orders placed by voice during this period.

Secondly, AMC 1 was slow to implement the provisions of its procedure that was updated in February 2024, since five lines of people likely to be in contact with clients were only registered from May, June or even August 2025.

Thirdly, in August 2025, AMC 3 noted that incoming calls to the line of one of its managers had not been recorded for several years and entered this anomaly in its incident log.

Furthermore, AMC 1 had given each of the recorded employees the possibility of manually stopping recording at the beginning of the conversation in order to preserve the confidentiality of their personal calls. However, this feature puts AMCs at risk of not having telephone recordings proving the provision of a service or the conclusion of a transaction, in the event that an employee has, voluntarily or involuntarily, deactivated the recording device.

3.2.2 Mobile telephones actually recorded

All the AMCs on the panel had extended their recording system to mobile phones. These could be professional devices (AMC 5), personal devices with professional use (AMC 2) or a combination of both (AMCs 1, 3 and 4). AMC 1, for its part, had prohibited the placing of orders via managers' mobile phones, while maintaining the recording

of telephone conversations held via this channel, particularly because it was likely to be used in a crisis situation or in the event of unavailability of its premises.

For all five AMCs, the recorded calls were exclusively those made via a mobile application connected to the company's telephone system. Thus, the recording system relied on the fact that employees actually used this application to make calls, and not the native functionality of the telephone or another application. However, the monitoring mission noted that none of the AMCs on the panel had carried out checks to ensure this.

Only AMC 3 had carried out an internal survey, in September 2025, which revealed that five employees were communicating with prospects or clients via their mobile phone without using the conversation recording application. Following this finding, the company contacted its telephone service provider to check that the application was functioning properly and to address the technical difficulties encountered by some users.

3.2.3 Recording of telephone conversations relating to the collective investment management and discretionary management businesses

The inspection team asked each AMC on the panel for a list of the orders placed by voice between 1 January 2023 and 31 December 2025. It then selected a sample of fifteen orders for which it requested the recordings of the telephone conversations documenting the conclusion of the transaction. AMCs 3, 4 and 5 transmitted all the requested recordings to it.

AMC 2 was unable to provide five recordings out of the fifteen transactions selected. Of these five recordings, only one order was placed during the period of the incident noted by the AMC between July 2022 and August 2023 (see part 3.2.1). The identification of this anomaly by the AMC does not appear to have resulted in sufficient remediation, as four new recording incidents occurred after this period.

Similarly, AMC 1 did not have the records corresponding to five orders in the sample and had to request them from the brokers to whom these orders were transmitted because the telephone conversations were made from an non-recorded mobile phone. The AMC had in fact allowed a manager to work remotely two days a week while requiring him to place his orders by voice using a landline. To rectify this situation, the AMC has established a remote working charter that greatly limits its use for managers, and has modified its order processing procedure to strictly limit orders placed by voice.

3.2.4 Recording of telephone conversations related to the RTO business

Of the four AMCs on the panel that were authorised to provide an RTO service, AMC 2 had not received any orders relating to this service during the period under review and AMC 5 had prohibited itself from providing this service by telephone.

The inspection team requested a sample of the recordings relating to orders placed in the context of RTO service provision from AMCs 3 and 4. The two AMCs provided it with all the requested recordings. However, for one of AMC 3’s operations, the procedure, which required the client to approve an information sheet prior to the transaction, had not been complied with as the client consented by email to the manager without having previously received this sheet.

Regulatory reminders[9]

- **Article 76 4) of the MiFID II DR**: *'4. Investment firms shall keep and regularly update a record of those individuals who have firm devices or privately owned devices that have been approved for use by the firm.';*
- **Article L. 533-8 of the MFC:** *'Investment services providers shall retain, under the conditions set out in the General Regulation of the Autorité des Marchés Financiers, the relevant information relating to all the transactions in financial instruments that they have concluded'*;
- **Article L. 533-10 I 5°:** *'I. Asset management companies:* [...] *5° Shall keep a record of every service they provide and every transaction they carry out for at least five years, so that the Autorité des Marchés Financiers can monitor compliance with their obligations and, in particular, all their obligations towards clients, especially potential clients.';*
- **Article L. 533-10 II 6° and III of the MFC** cited above.

Poor practice

- Failing to carry out controls on the installation and use of the application enabling conversation recording by employees who have a mobile phone.

3.3 ACCESS TO AND CONFIDENTIALITY, INTEGRITY AND RETENTION OF THE RECORDINGS

The regulations require that AMCs define a retention period in their policy, specifying, when they provide an investment service, that this period runs from the date the recording was created (Article 76 11) of the MiFID II DR). However, the placement of the order or the provision of the investment service to which the recorded conversation relates may take place at a later date, sometimes significantly after the conversation has taken place.

In this regard, AMC 4 mentioned several situations in which this interval can be particularly long. For example, a client may submit a stop order with no validity period, which could remain active for several years before it is executed. Such situations raise issues in terms of recording retention, insofar as the starting point for the retention period under the regulations may lead to the erasure of the recording before the actual execution of the order, thus compromising its traceability. AMCs must adjust their system to preserve traceability when they encounter such special cases.

3.3.1 Recording retention and erasure

Despite the fact that the pre-February 2024 version of its policy stated that telephone recordings were not archived, AMC 1 had kept recordings of telephone conversations since February 2022.

AMC 4 had retained a history in accordance with the provisions of its policy (first five years, then seven years from June 2025). Similarly, AMC 5 had set the retention period at the group level at seven years and had the corresponding recordings.

In their policies, AMCs 2 and 3 had defined a retention period of five years (extended to seven years in October 2025 for AMC 3), but in practice had a ten-year history.

As regards recording erasure, AMCs 2, 4 and 5 had tools allowing for automatic erasure once the retention period had expired. However, their procedures did not define the process or frequency for erasing recordings exceeding the period provided for by the set of procedures. On the other hand, in October 2025, AMC 3 formalised in its

[9] Only those provisions applicable to AMCs providing investment services are cited. For the equivalent provisions applicable to AMCs subject to the provisions of the UCITS Directive and to AMCs managing AIFs that are not subject to the AIFM Directive regime and AMCs subject to the full scope of the AIFM Directive regime, please refer to the table in section 2.3.

policy the holding of an annual meeting of a committee responsible for evaluating the data destruction to be carried out, including recordings that had reached the end of the retention period during the past year.

3.3.2 Access to recordings by authorised persons

The inspection team verified that the people with access to the recordings in practice were indeed the people authorised by policy, i.e. the RCCI at all the AMCs on the panel, plus one or more managers at four AMCs. AMC 1 had indicated in its policy that its CEO had direct access, whereas in practice this was not the case.

At AMCs 1, 3 and 4, authorised persons had autonomous and direct access to the recording files. AMC 2, and AMC 5 (for part of the recorded conversations), had to make a request to a technical team (IT department or telephone department) to obtain them. The existence of an intermediary can delay the tasks to be carried out by the RCCI, particularly when it comes to quickly investigating an incident or dispute relating to an order. Furthermore, recourse to an intermediary introduces an operational risk of partial selection or unintentional modification.

3.3.3 Access to recordings by the employees recorded

AMCs 1, 3, 4 and 5 had formalised in their policies the fact that an employee who wishes to access recordings of their telephone conversations must make a request to the RCCI (or to a senior manager). AMCs 1 and 4 had established a register to track these access requests.

AMC 2 had also defined in its policy the conditions for listening to recordings in the presence of the employee concerned, but had restricted them to requests from senior management in exceptional situations, such as a dispute with a client or a suspicion of insider dealing (instances which it had never encountered).

3.3.4 Reference in the business continuity plan to the measures to be taken in the event of a telephone system outage

The inspection team analysed the business continuity plans of the AMCs on the panel to verify whether these included the measures to be taken in the event of the failure of the recording system and, more generally, of the AMC's telephone system.

Only AMC 3 had explicitly mentioned these systems in the incident map included in its business continuity plan. AMCs 1 and 5 had described, in more or less detail, IT failure scenarios, without however considering their implications on telecommunication systems. AMCs 2 and 4 had not included this type of scenario in their business continuity plan.

Regulatory reminders[10]

- **Article 21 3) of the MiFID II DR**: *'3. Investment firms shall establish, implement and maintain an adequate business continuity policy aimed at ensuring, in the case of an interruption to their systems and procedures, the preservation of essential data and functions, and the maintenance of investment services and activities, or, where that is not possible, the timely recovery of such data and functions and the timely resumption of their investment services and activities'.*
- **Article 76 1) (b) of the MiFID II DR** cited above;
- **Article 76 8), 10) and 11) of the MiFID II DR**: *'8. Before investment firms provide investment services and activities relating to the reception, transmission and execution of orders to new and existing clients, firms shall inform the client of the following:*
  [...] (b) *that a copy of the recording of such conversations with the client and communications with the client will be available on request for a period of five years and, where requested by the competent authority, for a period of up to seven years.* [...]
  10. Records shall be stored in a durable medium, which allows them to be replayed or copied and must be retained in a format that does not allow the original record to be altered or deleted. Records shall be stored in a medium so that they are readily accessible and available to clients on request. Firms shall ensure the quality, accuracy and completeness of the records of all telephone recordings and electronic communications.
  11. The period of time for the retention of a record shall begin on the date when the record is created.';
- **Article L. 533-10 III of the MFC** cited above.

Good practices

- Having a process for the automatic erasure of recordings beyond the retention period set in the policy;
- Establishing a register to track requests for access to recordings by the employees recorded.

Poor practice

- Having to go through a technical department to access the recordings.

3.4 INFORMATION PROVISION TO THE PEOPLE RECORDED AND EMPLOYEE TRAINING

Only the MiFID II DR expressly provides for the obligation to train AMC staff on the procedures relating to the recording of telephone conversations. Therefore, this obligation does not apply to companies providing investment services or handling fund unit subscription and redemption orders.

However, the effectiveness of the recording system depends on employees having an adequate understanding of the tools made available to them and on their proper use, particularly with regard to mobile phones. Therefore, even for asset management companies not subject to this obligation, the implementation of regular awareness-raising initiatives appears appropriate in order to limit the risks of non-compliance.

3.4.1 Provision of information to recorded persons from outside the AMC

From the panel, only two AMCs (AMCs 3 and 4) had set up a voice message warning the interlocutor of an AMC employee, prior to the telephone conversation, that the conversation was being recorded. AMC 3 only transmitted this message for incoming calls, whereas at AMC 4, this was the case for all calls, incoming and outgoing.

[10] Only those provisions applicable to AMCs providing investment services are cited. For the equivalent provisions applicable to AMCs subject to the provisions of the UCITS Directive and to AMCs managing AIFs that are not subject to the AIFM Directive regime and AMCs subject to the full scope of the AIFM Directive regime, please refer to the table in section 2.3.

Following questions from the inspection team, AMCs 1 and 2 indicated that they intended to implement this type of warning in the short term.

Furthermore, AMCs 2 and 3 had indicated, in their procedure governing relations with their clients, that a document (entitled 'GDPR sheet' for one of them) informing the client of the recording of their telephone conversations with the AMC had to be provided prior to any provision of the investment service.

3.4.2 Information provision to employees

All the AMCs on the panel had adopted an internal regulation or a code of ethics. This document explicitly mentioned the recording of employee telephone conversations at AMCs 3, 4 and 5. AMC 1 had added this information in May 2025.

On the other hand, the ethics regulation at AMC 2 did not directly refer to the telephone conversation recording procedure. Instead, it was limited to a general statement that the employee acknowledged having read the AMC's internal procedures.

Additionally, AMCs 2, 3 and 4 required all new employees to sign this internal regulation or code of ethics.

3.4.3 Employee training

None of the AMCs on the panel had provided regular training to their employees on the subject of telephone recordings. However, AMCs 2 and 4 had organised such a training session once during the period under inspection. At AMC 2, this training session was dedicated to the recording and retention of telephone conversations and electronic communications, while at AMC 4 it formed part of an annual training course on compliance topics led by the RCCI.

Regulatory reminder[11]

- **Article 76 5) and 8) of the MiFID II DR**: *'5. Investment firms shall educate and train employees in procedures governing the requirements in Article 16(7) of Directive 2014/65/EU.* […]
  8. Before investment firms provide investment services and activities relating to the reception, transmission and execution of orders to new and existing clients, firms shall inform the client of the following: (a) that the conversations and communications are being recorded [...]'.

Good practice

- Raising awareness among new employees, upon their arrival, and every year among all AMC staff of the procedures and operation of telephone conversation recording systems, reminding the relevant persons that their conversations are being recorded;

Poor practice

- Not including the recording of telephone conversations in the internal regulation or code of ethics.

[11] Only those provisions applicable to AMCs providing investment services are cited. For the equivalent provisions applicable to AMCs subject to the provisions of the UCITS Directive and to AMCs managing AIFs that are not subject to the AIFM Directive regime and AMCs subject to the full scope of the AIFM Directive regime, please refer to the table in section 2.3.

3.5 PERMANENT AND PERIODIC CONTROLS

Given its challenges in terms of traceability of operations and evidence, the telephone conversation recording system must be subject to appropriate controls, both permanent and periodic. These controls are intended to ensure the effectiveness of the system, its correct use by employees, and the compliance of the way in which it is implemented with the applicable regulatory requirements, particularly in terms of recording completeness, integrity and retention.

3.5.1 Permanent control plans

All the AMCs on the panel had annual compliance and internal control plans that mentioned controls which related, directly or indirectly, to the recording of telephone conversations. In its plan, AMC 4 had defined an annual control dedicated to this subject, including, on the one hand, the updating and dissemination of the corresponding procedure and, on the other hand, the verification by sampling of the due archiving of telephone conversations.

AMCs 3 and 5 had added a point explicitly dedicated to this subject to their 2025 compliance and internal control plans. Conversely, AMCs 1 and 2 addressed this topic indirectly, through more cross-cutting controls focusing in particular on the processing of orders, human and technical resources, or compliance with the GDPR system.

3.5.2 Second-level controls related to order processing

All the AMCs on the panel had formalised controls relating to order processing. Nevertheless, the inspection team found shortcomings at all five AMCs. During the period under inspection, AMC 3 had only once formalised a test of the existence and retention of telephone recordings relating to orders placed by voice, explaining that for the RCCI to listen to telephone conversations a triggering event had to be brought to their attention to justify this.

AMC 5 carried out quarterly controls, including listening to telephone conversations, for a sample of 35 orders transmitted by managers to the trading desk by voice. However, recordings of orders transmitted by telephone from the trading desk to the market were not subject to checks as they were rare and of a specific nature (primarily primary bond issuance).

The controls carried out by AMCs 1, 2 and 4 did not identify either gaps in the policy (AMC 4), the occurrence of telephone recording system incidents (AMC 2) or the fact that one of the managers routinely placed orders from his unregistered mobile phone (AMC 1).

3.5.3 Other second-level controls relating to telephone recordings

The inspection team also identified deficiencies in the other control sheets dealing with the subject of telephone conversations at four AMCs. Thus, the retention period mentioned in the control sheet relating to human and technical resources at AMC 1 for 2023 mentioned a recording retention period which was not the same as the period defined in its policy.

The controls on the advice business at AMC 3 were not sufficiently substantiated since they mentioned listening carried out by the RCCI without detailing the sample selected.

Finally, the controls on the business continuity plan of AMCs 2 and 4 did not make it possible to note the absence of any reference to scenarios of IT failure, the complete destruction of the company's equipment, or more specifically the non-availability of the telephone system.

3.5.4 Periodic controls

Of the panel, only AMC 3 had not carried out any periodic controls on the telephone conversation recording device between 2023 and 2025. At AMCs 1 and 2, this topic was addressed during a periodic control of the order placement system. AMCs 4 and 5 had defined a periodic control specifically addressing the subject of recordings and data retention.

Regulatory reminders[12]

- **Article 21 1) (c) and 5) of the MiFID II DR:** *'1. Investment firms shall comply with the following organisational requirements:* [...] (c) *establish, implement and maintain adequate internal control mechanisms designed to secure compliance with decisions and procedures at all levels of the investment firm;* [...]
  5. Investment firms shall monitor and, on a regular basis, evaluate the adequacy and effectiveness of their systems, internal control mechanisms and arrangements established in accordance with paragraphs 1 to 4, and take appropriate measures to address any deficiencies';
- **Article 22 2) of the MiFID II DR**: *'2. 'Investment firms shall establish and maintain a permanent and effective compliance function which operates independently and which has the following responsibilities:*
  a) to monitor on a permanent basis and to assess, on a regular basis, the adequacy and effectiveness of the measures, policies and procedures put in place in accordance with the first subparagraph of paragraph 1, and the actions taken to address any deficiencies in the firm's compliance with its obligations;'
- **Article 24 of the MiFID II DR**: '*Investment firms shall, where appropriate and proportionate in view of the nature, scale and complexity of their business and the nature and range of investment services and activities undertaken in the course of that business, establish and maintain an internal audit function which is separate and independent from the other functions and activities of the investment firm and which has the following responsibilities* [...]';
- **Article 76 6) of the MiFID II DR**: *'6. To monitor compliance with the recording and record-keeping requirements in accordance with Article 16(7) of Directive 2014/65/EU, investment firms shall periodically monitor the records of transactions and orders subject to these requirements, including relevant conversations. Such monitoring shall be risk based and proportionate';*
- **Article 312-40 of the AMF GR:** *'The purpose of recording telephone conversations shall be to facilitate monitoring to ensure that transactions are lawful and that they comply with clients' instructions. The compliance officer may listen to the recordings of telephone conversations made pursuant to Article 76 of Commission Delegated Regulation (EU) 2017/565 of 25 April 2016. If the compliance officer does not himself listen to the recording, it may not be listened to without his agreement or the agreement of a person designated by him'.*

Good practice

- Listening to a sample of orders placed by voice each quarter.

Poor practice

- Not stipulating controls explicitly relating to telephone conversation recording in the compliance and internal control plan.

[12] Only those provisions applicable to AMCs providing investment services are cited. For the equivalent provisions applicable to AMCs subject to the provisions of the UCITS Directive and to AMCs managing AIFs that are not subject to the full AIFM Directive regime and AMCs subject to the full scope of the AIFM Directive regime, please refer to the table in section 2.3.