

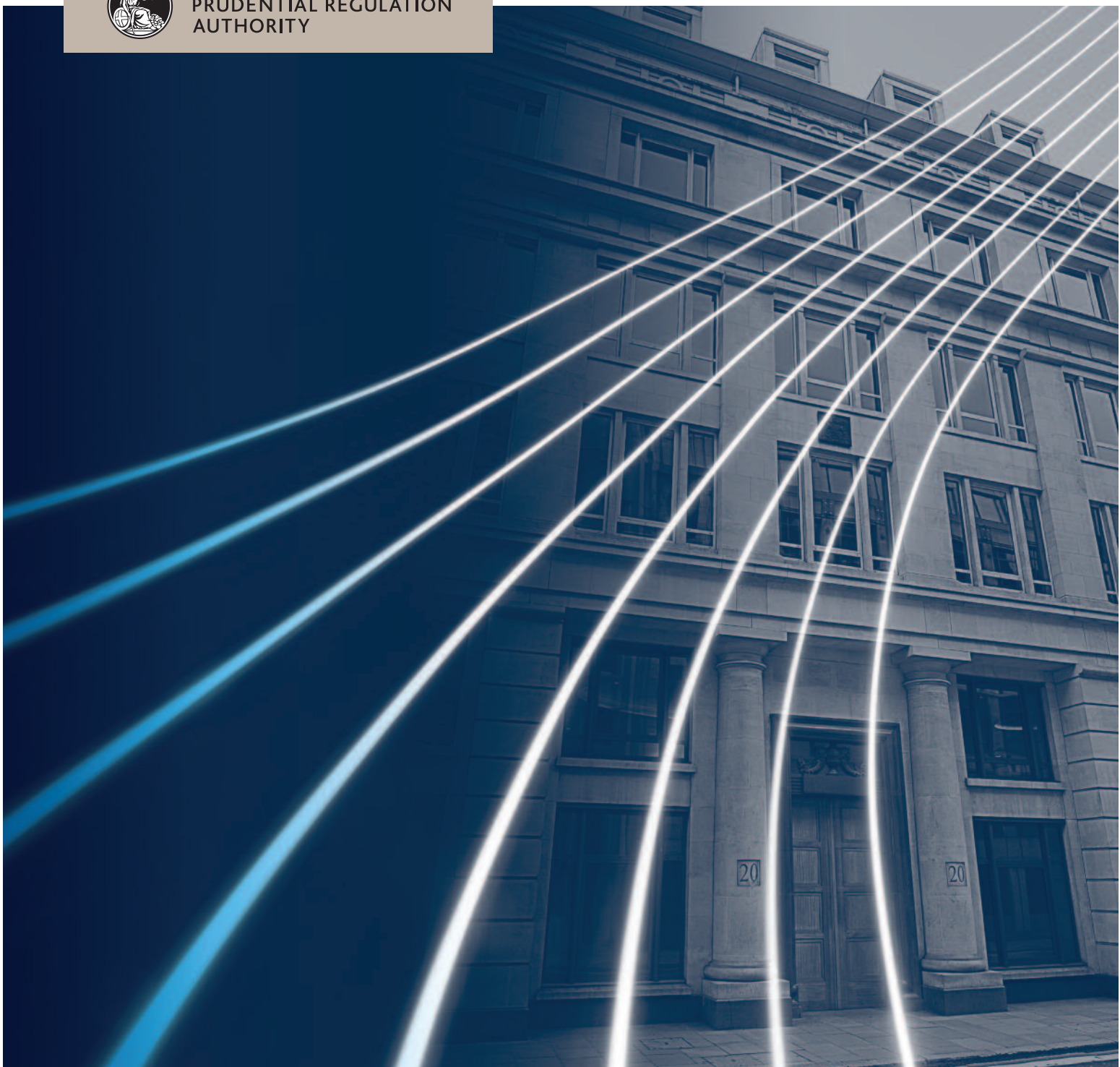
Policy Statement | PS19/15

# The PRA Rulebook: Part 3

August 2015



BANK OF ENGLAND  
PRUDENTIAL REGULATION  
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Policy Statement | PS19/15

# The PRA Rulebook: Part 3

August 2015

This policy statement contains final rules and supervisory statements following on from *Consultation Paper CP17/15*, 'The PRA Rulebook: Part 3', April 2015.



## 1 Overview

1.1 This Prudential Regulation Authority (PRA) policy statement (PS) publishes final rules and supervisory statements following on from *Consultation Paper CP17/15*, 'The PRA Rulebook: Part 3'.<sup>(1)</sup> It is relevant to all PRA-regulated firms.

1.2 The PRA is required by the Financial Services and Markets Act 2000 to have regard to any representations made to the proposals in a consultation, and to publish an account, in general terms, of those representations and its response to them.

1.3 The PRA does not consider that the responses to the consultation necessitate major changes to the proposals set out in the consultation. However, consideration of the responses to CP17/15 has resulted in some changes to some of the forms in the draft Passporting instrument (see Appendix 1.1). The PRA's response to the feedback received on the proposed rules is provided in this PS.

1.4 The PRA has decided to postpone the publication of a supervisory statement on internal governance of third-country branches (Appendix 2.2 in CP17/15) and the making of the PRA Rulebook: CRR firms: Internal governance of third-country branches instrument 2015 (Appendix 1.4 in CP17/15) as a number of expectations will be superseded or otherwise affected by the introduction of the Senior Managers Regime. The PRA will publish the final supervisory statement in due course.

1.5 Prior to consultation, the PRA considered the way in which the rules advance its objectives, impacts mutuals, is consistent with the Regulatory Principles, and impacts on equality and diversity. The costs and benefits of the proposed policy were also considered. The PRA's findings on these issues are unchanged following consultation and consideration of the feedback received. The rules are neutral with respect to competition in the relevant markets.

1.6 This PS further advances the commitment made by the PRA in its Approach Documents to amend and streamline substantially both the PRA Handbook and the associated materials carried over from the Financial Services Authority, creating a new Rulebook and body of supporting supervisory statements.

1.7 The final rules and supervisory statements contained in this PS have been drafted to be clear in intent, straightforward in presentation and as concise as possible. They complement the new structure of the Rulebook online.

1.8 Until the PRA has rewritten all of the content in the Handbook, PRA-authorized firms must ensure that they

comply fully with the requirements in both the PRA Handbook and Rulebook.

1.9 Appendix 1 and 2 contain the final rules and supervisory statements, respectively.

## 2 The PRA's response to feedback received

2.1 One respondent asked why the draft passporting forms did not reflect the requirements of Solvency II. The proposed changes on passporting reshape existing Handbook material into the Rulebook. Solvency II takes effect on 1 January 2016. The PRA will consult on changes to its passporting rules and forms for that Directive in due course.

2.2 The same respondent also highlighted several typographical corrections, and points of clarity, on the forms, which the PRA has corrected in the final version.

2.3 One respondent asked why the draft rules on reverse stress testing distinguished between insurers and other regulated firms. The draft rules on reverse stress testing apply to banks and financial institutions but not insurers. Therefore, only the rules and guidance applicable to banks and financial institutions have been moved into the new instrument while SYSC 20 will continue to apply to insurers.

2.4 The transfer of rules that remain applicable to insurers in the Handbook to the Rulebook is subject to separate consultations, including previous Solvency II consultations, policy statements and the forthcoming consultations on the rules applicable to non-Solvency II firms.

2.5 The PRA confirms that there is no requirement to appoint a chief risk officer. The supervisory statement on internal control (SS21/15) has been amended to reflect this.

## 3 Rulebook online

3.1 The PRA is planning to launch the new PRA Rulebook online this year. The new website will reshape the presentation of the PRA's requirements by improving the online presentation and functionality of the PRA's rules.

3.2 At present, rule-making instruments that have been made by the Board of the PRA, including the instruments annexed to this PS, are being published in PDF formats on the existing shared Handbook website. The Rulebook online will consolidate these instruments into the new website.

3.3 Although the Rulebook online will contain the most accessible version of the PRA's rules which will be

(1) *PRA Consultation Paper CP17/15*, 'The PRA Rulebook: Part 3', April 2015; [www.bankofengland.co.uk/pr/Pages/publications/cp/2015/cp1715.aspx](http://www.bankofengland.co.uk/pr/Pages/publications/cp/2015/cp1715.aspx).

consolidated on a regular basis, the definitive rules are always contained in the PRA's rule-making instruments.

### Structure

3.4 The Rulebook contains three main sectors: (i) Banking and investment; (ii) Insurance; and (iii) Non-authorised persons.

3.5 The Banking and investment sector is split into rules that apply to (i) firms subject to the Capital Requirement Regulations (CRR) and (ii) firms that are not subject to the CRR. The Insurance sector splits rules that apply to (i) firms subject to the Solvency II Directive and (ii) firms that are not subject to that directive. The third sector contains requirements that apply to non-authorised persons.

3.6 Each sector is divided into Parts. Parts are divided into chapters, and each chapter contains a narrow grouping of

rules. The Rulebook does not contain guidance; all relevant guidance has been moved into either a supervisory statement or on the PRA's website.

3.7 This structure will enable firms to access easily all of the rules that apply to them at any one point in time. Firms will also be able to access Parts which contain rules that are cross-sectoral, within each sector, such as the Fundamental Rules.

### Naming and numbering convention

3.8 The Rulebook has a new naming and numbering convention. Each Part succinctly and uniquely describes at a high-level the subject matter of the rules contained within that Part. The Rulebook does not use acronyms as a part of its naming convention.

# Appendices

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## Appendix 1: Instruments

- 1.1 PRA Rulebook — Passporting Instrument 2015
  - 1.2 PRA Rulebook — Regulatory Reporting Instrument 2015
  - 1.3 PRA Rulebook — Regulatory Reporting Amendment Instrument 2015
  - 1.4 PRA Rulebook — CRR Firms: Reverse Stress Testing (Amendment to ICAA) Instrument 2015
  - 1.5 PRA Rulebook — Change In Control Instrument 2015
  - 1.6 PRA Rulebook — Close Links Instrument 2015
  - 1.7 Handbook (Rulebook Consequentials No. 3) Instrument 2015
  - 1.8 PRA Rulebook — Glossary Instrument (No. 2) 2015
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## Appendix 2: Supervisory statements

- 2.1 Supervisory Statement — Aggregation of holdings for purpose of the prudential assessment of controllers SS33/15  
(see SS33/15 landing page: [www.bankofengland.co.uk/pr/Pages/publications/ss/2015/ss3315.aspx](http://www.bankofengland.co.uk/pr/Pages/publications/ss/2015/ss3315.aspx))
- 2.2 Supervisory Statement — The internal capital adequacy assessment process (ICAAP) and the supervisory review and evaluation process (SREP) SS31/15  
(see SS31/15 landing page: [www.bankofengland.co.uk/pr/Pages/publications/ss/2015/ss3115update.aspx](http://www.bankofengland.co.uk/pr/Pages/publications/ss/2015/ss3115update.aspx))
- 2.3 Supervisory Statement — Internal governance SS21/15  
(see SS21/15 landing page: [www.bankofengland.co.uk/pr/Pages/publications/ss/2015/ss2115update.aspx](http://www.bankofengland.co.uk/pr/Pages/publications/ss/2015/ss2115update.aspx))
- 2.4 Supervisory Statement — Guidelines for completing regulatory reports SS34/15  
(see SS34/15 landing page: [www.bankofengland.co.uk/pr/Pages/publications/ss/2015/ss3415.aspx](http://www.bankofengland.co.uk/pr/Pages/publications/ss/2015/ss3415.aspx))

**Appendix 1.1**

**PRA RULEBOOK: PASSPORTING INSTRUMENT 2015**

**Powers exercised**

- A. The Prudential Regulation Authority (“PRA”) makes this instrument in the exercise of the following powers and related provisions in the Financial Services and Markets Act 2000 (“the Act”):
- (1) section 137G (The PRA’s general rules);
  - (2) section 137T (General supplementary powers);
  - (3) paragraphs 19(10) and 20(4C) of Schedule 3 (EEA Passport Rights) Part III (Exercise of Passport Rights by UK firms); and
  - (4) paragraph 5 (4) of Schedule 4 (Treaty Rights: Notice to UK regulator)
- B. The rule-making powers referred to above are specified for the purpose of section 138G(2) (Rule-making instruments) of the Act.

**Pre-conditions to making**

- C. In accordance with section 138J of the Act (Consultation by the PRA), the PRA consulted the Financial Conduct Authority. After consulting, the PRA published a draft of proposed rules and had regard to representations made.

**PRA Rulebook: Passporting Instrument 2015**

- D. The PRA makes the rules in Annexes A and B to this instrument.

**Commencement**

- E. This instrument comes into force on 3 August 2015.

**Citation**

- F. This instrument may be cited as the PRA Rulebook: Passporting Instrument 2015.

**By order of the Board of the Prudential Regulation Authority**

31 July 2015



**Annex A**

In this Annex, the text is all new and is not underlined.

**Part**

# **PASSPORTING**

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**Chapter content**

- 1. APPLICATION AND DEFINITIONS**
- 2. NOTICE OF INTENTION TO ESTABLISH A BRANCH**
- 3. UK PURE REINSURERS ESTABLISHING A BRANCH**
- 4. NOTICE OF INTENTION TO PROVIDE CROSS BORDER SERVICES**
- 5. NOTICE OF CHANGE OF DETAILS TO A BRANCH**
- 6. NOTICE OF CHANGE OF DETAILS TO CROSS BORDER SERVICES**
- 7. FORM AND METHOD OF NOTIFICATION**
- 8. RECORD KEEPING**
- 9. TREATY FIRMS**
- 10. FORMS**

**Links**

## 1 APPLICATION AND DEFINITIONS

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1.1 Unless otherwise stated, this Part applies to a *UK firm* that is a *PRA-authorised person*.

1.2 In this Part, the following definitions shall apply:

### *EEA Passport Rights Regulations*

means the Financial Services and Markets Act 2000 (EEA Passport Rights) Regulations 2001.

### *EEA right*

includes Article 4 (3) of the Financial Services and Markets Act (2000) (Gibraltar) Order 2001.

### *financial institution*

has the meaning in Article 4 (26) of the *CRR*.

### *pure reinsurer*

means an *insurer* whose *insurance business* is restricted to reinsurance.

### *UK firm*

includes a *financial institution* that fulfils the conditions in Article 34 *CRD*.

## 2 NOTICE OF INTENTION TO ESTABLISH A BRANCH

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2.1 This chapter applies to a *UK firm* other than a *pure reinsurer*.

2.2 A *UK firm* wishing to establish a *branch* within the territory of another *EEA State* for the first time under an *EEA right* other than derived from the *CRD* must notify the *PRA* of its intention by submitting the form referred to in 10.1 (Branch Notification Form).

2.3 A *UK firm* wishing to establish a *branch* within the territory of another *EEA State* for the first time under an *EEA right* derived from the *CRD* must comply with the information requirements set out in Commission Delegated Regulation (EU) 1151/2014 and notify the *PRA* of its intention by submitting the form in Annex I of Commission Implementing Regulation (EU) 926/2014 and the form referred to in 10.3 (CRD Declaration).

## 3 UK PURE REINSURERS ESTABLISHING A BRANCH

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3.1 This chapter applies to a *pure reinsurer*.

3.2 A *pure reinsurer* establishing a *branch* within the territory of another *EEA state* for the first time under an *EEA right* must notify the *PRA* by submitting the form referred to in 10.1 (Branch notification form). Whenever possible, this notification must be made as soon as the information specified in that form is known by the *firm*.

## 4 NOTICE OF INTENTION TO PROVIDE CROSS BORDER SERVICES

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- 4.1 A *UK firm* intending to provide *cross border services* within the territory of another *EEA State* for the first time under an *EEA right* other than derived from the *CRD* must notify the *PRA* of its intention by submitting the form referred to in 10.2 (Cross Border Services Notification Form).
- 4.2 A *UK firm* intending to provide *cross border services* within the territory of another *EEA State* for the first time under an *EEA right* derived from the *CRD* must comply with the information requirements set out in Commission Delegated Regulation (EU) 1151/2014 and notify the *PRA* of its intention by submitting the form in Annex V of Commission Implementing Regulation 926/2014 and the form referred to in 10.3 (CRD Declaration).

## 5 NOTICE OF CHANGE OF DETAILS TO A BRANCH

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- 5.1 A *UK firm* other than a *pure reinsurer* exercising an *EEA right* other than derived from the *CRD* that is required by the *EEA Passport Rights Regulations* to submit a notice of a change to a *branch* to the *PRA* must notify the *PRA* by submitting the form referred to in 10.1 (Branch Notification Form).
- 5.2 A *pure reinsurer* exercising an *EEA right* to establish a *branch* in another *EEA State* must notify the *PRA* of any change in the information specified in the Branch Notification Form at 10.1. Whenever possible, this notification must be made as soon as the change in information is known by the *firm*.
- 5.3
- (1) A *UK firm* that has exercised an *EEA right* under the *CRD* and established a *branch* in another *EEA State* must comply with the information requirements set out in Commission Delegated Regulation (EU) 1151/2014 and notify the *PRA* of a change to the *branch* by submitting the form in Annex I of Commission Regulation 926/2014 and the form referred to in 10.3 (CRD Declaration) except where the change relates to a planned termination of the operation of the *branch*.
- (2) A *UK firm* that has exercised an *EEA right* under the *CRD* and established a *branch* in another *EEA State* and that plans to terminate the operation of the *branch* must comply with the information requirements set out in Commission Delegated Regulation (EU) 1151/2014 and notify the *PRA* by submitting the form in Annex IV of Commission Implementing Regulation 926/2014 and the form referred to in 10.3 (CRD Declaration).

## 6 NOTICE OF CHANGE OF DETAILS TO CROSS BORDER SERVICES

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- 6.1 A *UK firm* that is required by the *EEA Passport Rights Regulations* to submit a notice of a change to *cross border services* must notify the *PRA* by submitting the form referred to in 10.2 (Cross Border Services Notification Form).

## 7 FORM AND METHOD OF NOTIFICATION

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- 7.1 This Chapter applies to a *UK firm* other than a *credit union*.

7.2 A *UK firm* must submit any notice including a notice of changes under this Part or under the *EEA Passport Rights Regulations* by:

- (1) electronic mail to pra-passporting@bankofengland.co.uk; or
- (2) post to the *PRA*: The Prudential Regulation Authority, 20 Moorgate, London, EC2R 6DA.

## 8 RECORD KEEPING

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8.1 A *UK firm* which is exercising an *EEA right* must make a record of:

- (1) the services or activities it carries on from a *branch* in, or provides cross-border into, the territory of another *EEA State* under that *EEA right*; and
- (2) the details relating to those services or activities as set out in the *EEA Passport Rights Regulations* or the Commission Delegated Regulation (EU) 1151/2014 and Commission Implementing Regulation (EU) 926/2014 as applicable.

8.2 A *UK firm* passporting under *MiFID* must retain the record under 8.1 for five years from the earlier of the date on which:

- (1) it was superseded by a more up-to-date record; or
- (2) the *UK firm* ceased to have a *branch* in, or carry on *cross border services* into, the territory of any *EEA State* under an *EEA right*.

8.3 A *UK firm* passporting under any *EEA right* other than derived from *MiFID* must retain the record under 8.1 for three years from the earlier of the date on which:

- (1) it was superseded by a more up-to-date record; or
- (2) the *UK firm* ceased to have a *branch* in, or carry on *cross border services* into, any *EEA State* under an *EEA right*.

## 9 TREATY FIRMS

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9.1 The *PRA* directs that a written notice from a *Treaty firm* under paragraph 5 (2) of Schedule 4 to *FSMA* must be:

- (1) addressed to the attention of the authorisations team in the *PRA*; and
- (2) delivered by one of methods set out in 9.2.

9.2 The *PRA* directs that the written notice referred to in 9.1 may be delivered by:

- (1) post to the *PRA*: The Prudential Regulation Authority, 20 Moorgate, London, EC2R 6DA; or
- (2) leaving the application at the reception of the *PRA* at the address set out in (1).

9.3 Each direction in SUP 13A.3.7 of the *PRA Handbook* continues to have effect from the date the relevant direction was given to the date on which the direction in 9.1 and 9.2 has effect.

**10 FORMS**

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- 10.1 The Branch Notification Form can be found here (see Appendix 1a).
- 10.2 The Cross Border Services Notification Form can be found here (see Appendix 1b).
- 10.3 The CRD Declaration can be found here (see Appendix 1c).

**PRA RULEBOOK: REGULATORY REPORTING INSTRUMENT 2015**

**Powers exercised**

- A. The Prudential Regulation Authority (“PRA”) makes this instrument in the exercise of the following powers and related provisions in the Financial Services and Markets Act 2000 (“the Act”):
  - (1) section 137G (The PRA’s general rules); and
  - (2) section 137T (General supplementary powers).
- B. The rule-making powers referred to above are specified for the purpose of section 138G(2) (Rule-making instrument) of the Act.

**Pre-conditions to making**

- C. In accordance with section 138J of the Act (Consultation by the PRA), the PRA consulted the Financial Conduct Authority. After consulting, the PRA published a draft of proposed rules and had regard to representations made.

**PRA Rulebook: Regulatory Reporting Instrument 2015**

- D. The PRA makes the rules in the Annex to this instrument.

**Commencement**

- E. This instrument comes into force on **1 January 2016**.

**Citation**

- F. This instrument may be cited as the PRA Rulebook: Regulatory Reporting Instrument 2015.

**By order of the Board of the Prudential Regulation Authority**

31 July 2015

**Annex**

In this Annex, the text is all new and is not underlined.

**Part**

**REGULATORY REPORTING**

---

**Chapter content**

1. APPLICATION AND DEFINITIONS
  2. REPORTING REQUIREMENTS – DATA ITEMS
  3. REPORTING REQUIREMENTS – FREQUENCY AND PERIOD
  4. REPORTING REQUIREMENTS – SUBMISSION DATES
  5. REPORTING REQUIREMENTS – SUBMISSION METHOD
  6. REGULATED ACTIVITY GROUPS
  7. REGULATED ACTIVITY GROUP 1
  8. REGULATED ACTIVITY GROUP 2.1
  9. REGULATED ACTIVITY GROUP 3
  10. REGULATED ACTIVITY GROUP 4
  11. REGULATED ACTIVITY GROUP 5
  12. FINANCIAL CONGLOMERATES
  13. PRUDENT VALUATION REPORTING
  14. TRANSITIONAL PROVISIONS – WAIVERS
  15. TRANSITIONAL PROVISIONS – REQUIREMENTS FOR MEMBERS OF FINANCIAL  
CONGLOMERATES
  16. DATA ITEMS
- ANNEX 1 – LIQUIDITY DEFINITIONS**

**Links**

## 1 APPLICATION AND DEFINITIONS

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1.1 Unless otherwise stated, this Part applies to every *firm* permitted to carry on the *regulated activities* listed in column (1) of the table in 6.1, except an *incoming EEA firm* with *permission for cross border services* only.

1.2 In this Part, the following definitions shall apply:

*administering a home finance transaction*

means any of *administering a regulated mortgage contract*, *administering a home purchase plan*, *administering a home reversion plan* or *administering a regulated sale and rent back agreement*.

*administering a home purchase plan*

means the *regulated activity* specified in article 63F(2) of the *Regulated Activities Order*.

*administering a home reversion plan*

means the *regulated activity* specified in article 63B(2) of the *Regulated Activities Order*.

*administering a regulated mortgage contract*

means the *regulated activity*, specified in article 61(2) of the *Regulated Activities Order*.

*administering a regulated sale and rent back agreement*

means the *regulated activity* specified in article 63J(2) of the *Regulated Activities Order*.

*banking and investment services conglomerate*

means a *financial conglomerate* that is identified in paragraph 4.3 of GENPRU 3 Annex 1 R (Types of financial conglomerate) in the *PRA Handbook* as a 'banking and investment services conglomerate'.

*BIPRU*

means the Prudential sourcebook for Banks, Building Societies and Investment Firms in the *PRA Handbook*.

*credit institution*

- (1) a credit institution authorised under the *CRD*; or
- (2) an institution which would satisfy the requirements for authorisation as a credit institution under the *CRD* if it had its registered office (or if it does not have a registered office, its head office) in an *EEA State*.



## Appendix 1.2

### *CRR permission*

means a permission given to a *firm* by the *PRA* under powers conferred on the *PRA* by the *CRR*.

### *data element*

means a discrete fact or individual piece of information relating to a particular field within a *data item*.

### *data items*

means one or more related *data elements* that are grouped together into a prescribed format and required to be submitted by a *firm*.

### *entering as provider into a funeral plan contract*

means the *regulated activity* specified in article 59 of the *Regulated Activities Order*.

### *entering into a home finance transaction*

means any of *entering into a regulated mortgage contract*, *entering into a home purchase plan*, *entering into a home reversion plan* or *entering into a regulated sale and rent back agreement*.

### *entering into a home purchase plan*

means the *regulated activity*, specified in article 63F(1) of the *Regulated Activities Order*.

### *entering into a home reversion plan*

means the *regulated activity*, specified in article 63B(1) of the *Regulated Activities Order*.

### *entering into a regulated mortgage contract*

means the *regulated activity*, specified in article 61(1) of the *Regulated Activities Order*.

### *entering into a regulated sale and rent back agreement*

means the *regulated activity*, specified in article 63J(1) of the *Regulated Activities Order*.

### *establishing, operating or winding up a collective investment scheme*

means the *regulated activity* specified in article 51ZE of the *Regulated Activities Order*.

### *establishing, operating or winding-up a regulated collective investment scheme*

means *establishing, operating or winding up a collective investment scheme* if the scheme is a *regulated collective investment scheme*.

### *FINREP firm*

## Appendix 1.2

means:

- (1) a *credit institution* or *investment firm* subject to the *CRR* that is also subject to article 4 of Regulation (EC) No 1606/2002; or
- (2) a *credit institution* other than one referred to in Article 4 of Regulation (EC) No 1606/2002 that prepares its consolidated accounts in conformity with the international accounting standards adopted in accordance with the procedure laid down in article 6(2) of that Regulation.

**[Note: article 99 of the *CRR*]**

*FOS Ltd.*

means the *body corporate* established under paragraph 2(1) of Schedule 17 to *FSMA* (The Scheme Operator) (as originally enacted).

*home finance administration*

means any of the *regulated activities* of:

- (1) *administering a regulated mortgage contract;*
- (2) *administering a home purchase plan;*
- (3) *administering a home reversion plan;*
- (4) *administering a regulated sale and rent back agreement; or*
- (5) *agreeing to carry on a regulated activity in (1) to (4).*

*home finance administrator*

means a *firm* with *permission* (or which ought to have *permission*) for *administering a home finance transaction*.

*home finance provider*

means a *firm* with *permission* (or which ought to have *permission*) for *entering into a home finance transaction*.

*home finance providing activity*

means any of the *regulated activities* of:

- (1) *entering into a regulated mortgage contract;*
- (2) *entering into a regulated sale and rent back agreement;*
- (3) *entering into a home purchase plan;*
- (4) *entering into a home reversion plan; or*
- (5) *agreeing to carry on a regulated activity in (1) to (4).*

*individual consolidation permission*

means a *CRR permission* under Article 9 of the *CRR*.

*insurance conglomerate*

## Appendix 1.2

means a *financial conglomerate* that is identified in paragraph 4.3 of GENPRU 3 Annex 1 R (Types of financial conglomerate) in the *PRA Handbook* as an *insurance conglomerate*.

### *intra-group liquidity modification*

means a modification to the *overall liquidity adequacy rule* of the kind described in *BIPRU 12.8.7G* in the *PRA Handbook* as in effect on 30 September 2015 granted to a *firm* and in effect on that date.

### *intra-group transactions*

has the meaning given in point (18) of Article 2 of the *Financial Groups Directive*. *IPRU(INS)*

means the Interim Prudential Sourcebook for Insurers in the *PRA Handbook*.

### *IPRU(FSOC)*

means the Interim Prudential sourcebook for Friendly Societies in the *PRA Handbook*.

### *lead regulated firm*

means a *firm* which is the subject of the financial supervision requirements of an *overseas regulator* in accordance with an agreement between the *PRA* and that regulator relating to the financial supervision of *firms* whose head office is within the country of that regulator.

This definition is not related to the defined term 'UK lead regulated firm'.

### *managing dormant account funds (including the investment of such funds)*

means the *regulated activity* specified in article 63N(1)(b) of the *Regulated Activities Order*.

### *meeting of repayment claims*

means the *regulated activity*, specified in article 63N(1)(a) of the *Regulated Activities Order*.

### *non-EEA bank*

means a *bank* which is a *body corporate* or *partnership* formed under the law of any country or territory outside the *EEA*.

### *RAG*

means a *regulated activity group*.

### *regulated activity group*

means a set of one or more *regulated activities* referred to in determining a *firm's data item* submission requirements.

### *reporting level*

means (in relation to a *data item*) the basis on which that *data item* is prepared (being either:

## Appendix 1.2

- (1) an individual basis; or
- (2) the basis of a group) and, if it is prepared on the basis of a group, the type of group (such as a *UK DLG by modification* or a *non-UK DLG by modification (firm level)*).

### *requirement*

means a requirement included in a *firm's Part 4A permission* under section 55L *FSMA* (Imposition of requirements by the FCA), section 55M *FSMA* (Imposition of Requirements by the PRA) or section 55O *FSMA* (Imposition of requirements on acquisition of control).

### *risk concentration*

has the meaning given in point (19) of Article 2 of the *Financial Groups Directive*.

### *sole trader*

means an individual who is a *firm*.

### *third-country financial conglomerate*

means a *financial conglomerate* that is of a type that falls under Article 5(3) of the *Financial Groups Directive*.

### *UK consolidation group*

means the *consolidation group* of a *firm* to which supervision on a *consolidated basis* by the *PRA* applies in accordance with Article 111 of *CRD*.

### *UK- regulated EEA financial conglomerate*

means a *financial conglomerate* (other than a *third-country financial conglomerate*) that satisfies one of the following conditions:

- (1) GENPRU 3.1.29 R (Capital adequacy calculations for *financial conglomerates*) in the *PRA Handbook* applies with respect to it; or
- (2) a *firm* that is a member of that *financial conglomerate* is subject to obligations imposed through its *Part 4A permission* to ensure that *financial conglomerate* meets levels of capital adequacy based or stated to be based on Annex I of the *Financial Groups Directive*.

### *whole-firm liquidity modification*

means a *modification* to the *overall liquidity adequacy rule* of the kind described in *BIPRU 12.8.22G* in the *PRA Handbook* as in effect on 30 September 2015 granted to a *firm* and in effect on that date.

## 1.3 Unless otherwise defined, any italicised expression used in this Part:

- (1) listed in Annex 1 (Liquidity definitions) to this Part has the meaning specified in the *PRA Handbook* as in effect on 30 September 2015; and
- (2) in the *CRR*, has the same meaning as in the *CRR*.

## Appendix 1.2

### 2 REPORTING REQUIREMENTS – DATA ITEMS

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- 2.1 Unless otherwise stated, a *firm* permitted to carry on any of the *regulated activities* within any *RAG* set out in column (1) of the table in 6.1 must submit to the *PRA* the *data items*, applicable to the relevant *RAG* as specified in the corresponding rule referred to in column (2) of that table.
- 2.2 Where, in accordance with 2.1, a *firm* is required to submit *data items* for more than one *RAG*, that *firm* must only submit the *data item* of the same name and purpose in respect of the lowest numbered *RAG* applicable to it, *RAG* 1 being the lowest and *RAG* 5 the highest.
- 2.3 Where, but for 2.2, a *firm* is required to submit *data items* for more than one *RAG* and this includes the submission of *data items* in respect of fees, the *FOS Ltd.* or *FSCS* levy, or *threshold conditions*, that *firm* must only submit these *data items* if required to do so for the lowest numbered of the *RAGs* applicable to the *firm*.
- 2.4 Unless otherwise stated, any *data items* to be submitted in accordance with 2.1 to 2.3 by a *non-EEA bank*, or an *EEA bank*, should cover the activities of the *branch* operation in the *UK* only.
- 2.5 A *firm* that is a member of a *financial conglomerate* must also submit *data items* as required by Chapter 12.
- 2.6 A *UK bank* and a *UK designated investment firm* must also submit Prudent Valuation Returns as required by Chapter 13.

### 3 REPORTING REQUIREMENTS – FREQUENCY AND PERIOD

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- 3.1 Where a *firm* is required to submit *data items* in accordance with Chapter 2, it must submit this information at the frequency and in respect of the periods specified in the rule referred to in the relevant row of column (3) of the table in 6.1.

### 4 REPORTING REQUIREMENTS – SUBMISSION DATES

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- 4.1 Where a *firm* is required to submit *data items* in accordance with Chapter 2, it must submit this information by the due date specified in the rule referred to in the relevant row of column (4) of the table in 6.1.

### 5 REPORTING REQUIREMENTS – SUBMISSION METHOD

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- 5.1 Unless otherwise stated, where a *firm* is required to submit *data items* in accordance with Chapter 2, it must submit this information by electronic means made available by the *PRA*.
- 5.2 5.1 does not apply to:
- (1) *credit unions* solely in relation to the reporting requirement for *RAG* 1 *regulated activities*; in such cases, the following submission methods apply:
- (a) Post to the Bank of England for postal submission:
- Regulatory Data Group  
Statistics and Regulatory Data Division (HO5 A-B)  
Bank of England  
Threadneedle Street  
London  
EC2R 8AH

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- (b) Leaving the report marked for the attention of "Regulatory Data Group, Statistics and Regulatory Data Division (TS 5 A-B) at the Bank of England, Threadneedle Street, London, EC2R 8AH, and obtaining a dated receipt
- (c) Electronic mail:  
  
(CreditUnionReporting@BankofEngland.co.uk) or fax (020 7601 3334) to the Regulatory Data Group of the Bank of England
- (d) Online submission via the appropriate systems accessible from the *PRA's* website.
- (2) *firms* in RAG 2.1 in relation to the reporting requirements for RAG 2.1 *regulated activities*; and
- (3) those *data items* specified as "No standard format".
- 5.3 SUP 16.3.6 R to SUP 16.3.10 G in the supervision manual in the *PRA Handbook* apply to *data items* specified as "No standard format."

## 6 REGULATED ACTIVITY GROUPS

- 6.1 Unless otherwise indicated, *firms* must comply with the rules specified in the following table (which set out the *data items*, frequency and submission periods as applicable to each RAG) in accordance with Chapters 2, 3 and 4.

(1)		(2)	(3)	(4)
RAG number	Regulated Activities	Rules containing:		
		applicable <i>data items</i>	reporting frequency / period	due date
RAG 1	<ul style="list-style-type: none"> <li>• <i>accepting deposits</i></li> <li>• <i>meeting of repayment claims</i></li> <li>• <i>managing dormant account funds (including the investment of such funds)</i></li> </ul>	7.1, except that the requirement to submit <i>data items</i> FSA001 and FSA002 on a <i>consolidated basis</i> does not apply to <i>FINREP firms</i>	7.2	7.3
RAG 2.1	<ul style="list-style-type: none"> <li>• <i>effecting contracts of insurance</i></li> <li>• <i>carrying out contracts of insurance</i></li> <li>• <i>entering as provider into a funeral plan contract</i></li> </ul>	8.1, 8.2, 8.3	8.1, 8.2, 8.3	8.1, 8.2, 8.3
RAG 3	<ul style="list-style-type: none"> <li>• <i>dealing in investments as principal</i></li> </ul>	9.1  9.2 for <i>UK designated investment firms</i> , except that the requirement to submit <i>data items</i> FSA001 and FSA002 on a <i>consolidated basis</i> does not apply to	9.1  9.3 for <i>UK designated investment firms</i>	9.1  9.4

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(1)	(2)	(3)	(4)
<b>RAG number</b>	<b>Regulated Activities</b>	<b>Rules containing:</b>	
		<b>applicable data items</b>	<b>reporting frequency / period</b>
		<i>FINREP firms</i>	
RAG 4	<ul style="list-style-type: none"> <li>• <i>managing investments</i></li> <li>• <i>establishing, operating or winding-up a collective investment scheme</i></li> </ul>	10.2 for <i>UK designated investment firms</i> , except that the requirement to submit <i>data items</i> FSA001 and FSA002 on a <i>consolidated basis</i> does not apply to <i>FINREP firms</i>	10.3 for <i>UK designated investment firms</i>
RAG 5	<ul style="list-style-type: none"> <li>• <i>home finance administration or home finance providing activity</i></li> </ul>	11.2	11.2

### 7 REGULATED ACTIVITY GROUP 1

7.1 The applicable *data items* referred to in the table in 6.1 are set out according to *firm* type in the table below:

RAG 1	Prudential category of <i>firm</i> , applicable <i>data items</i> and reporting format (1)					
	<i>UK bank</i>	<i>Building society</i>	<i>Non-EEA bank</i>	<i>EEA bank that has permission to accept deposits and that has its registered office (or, if it has no registered office, its head office) outside the EU</i>	<i>Credit union</i>	<i>Dormant account fund operator (12)</i>
<b>Description of data item</b>						
<i>Annual report and accounts</i>	No standard format		No standard format, but in English			No standard format
<i>Annual report and accounts</i>	No standard					

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<b>RAG 1</b>	<b>Prudential category of <i>firm</i>, applicable <i>data items</i> and reporting format (1)</b>					
	<i>UK bank</i>	<i>Building society</i>	<i>Non-EEA bank</i>	<i>EEA bank that has permission to accept deposits and that has its registered office (or, if it has no registered office, its head office) outside the EU</i>	<i>Credit union</i>	<i>Dormant account fund operator (12)</i>
<b>Description of <i>data item</i></b>						
of the <i>mixed-activity holding company</i> (7)	format					
Solvency statement (8)	No standard format					
Balance sheet	FSA001 (2)	FSA001 (2)			CQ; CY	
Income statement	FSA002 (2)	FSA002 (2)	FSA002		CQ; CY	
Capital adequacy					CQ; CY	
Market risk	FSA005 ((2), (3))	FSA005 ((2), (3))				
Market risk – supplementary	FSA006 (4)					
Large exposures					CQ; CY	
Exposures between <i>core UK group</i> and <i>non-core large exposures</i>	FSA018 (10)	FSA018 (10)				



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<b>RAG 1</b>	<b>Prudential category of firm, applicable data items and reporting format (1)</b>					
	<i>UK bank</i>	<i>Building society</i>	<i>Non-EEA bank</i>	<i>EEA bank that has permission to accept deposits and that has its registered office (or, if it has no registered office, its head office) outside the EU</i>	<i>Credit union</i>	<i>Dormant account fund operator (12)</i>
<b>Description of data item</b>						
<i>group</i>						
Liquidity (other than stock)		FSA011			CQ; CY	
Forecast data	FSA014 (9)	FSA014 (9)				
Solo consolidation data	FSA016 (5)	FSA016 (5)				
Interest rate gap report	FSA017	FSA017				
Sectoral information, including arrears and impairment	FSA015 (2)	FSA015 (2)				
IRB portfolio risk	FSA045 (11)	FSA045 (11)				
Daily Flows	FSA047 ((13), (16) and (18))	FSA047 ((13), (16) and (18))	FSA047 ((13), (15), (16) and (18))	FSA047 ((13), (15), (16) and (18))		
Enhanced Mismatch Report	FSA048 ((13), (16) and (18))	FSA048 ((13), (16) and (18))	FSA048 ((13), (15), (16) and (18))	FSA048 (Notes 13, 15, 16 and 18)		

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RAG 1	Prudential category of <i>firm</i> , applicable <i>data items</i> and reporting format (1)					
	<i>UK bank</i>	<i>Building society</i>	<i>Non-EEA bank</i>	<i>EEA bank that has permission to accept deposits and that has its registered office (or, if it has no registered office, its head office) outside the EU</i>	<i>Credit union</i>	<i>Dormant account fund operator (12)</i>
<b>Description of <i>data item</i></b>						
Liquidity Buffer Qualifying Securities	FSA050 ((14), (17) and (18))	FSA050 ((14), (17) and (18))				
Funding Concentration	FSA051 ((14), (17) and (18))	FSA051 ((14), (17) and (18))				
Pricing data	FSA052 ((14), (18) and (19))	FSA052 ((14), (18) and (19))				
Retail and corporate funding	FSA053 ((14), (17) and (18))	FSA053 ((14), (17) and (18))				

- (1) When submitting the completed *data item* required, a *firm* must use the format of the *data item* set out in Chapter 18.
- (2) *Firms* that are members of a *UK consolidation group* must also submit this data item on a *UK consolidation group* basis.
- (3) For *PRA-authorized persons*, lines 62 to 64 only are applicable. These lines apply to a *firm* that applies add-ons to their market risk capital calculation under the RNIV framework.
- (4) Only applicable to *firms* with a *CRR permission* to use internal models in accordance with Part 3, Title IV, Chapter 5 of the CRR.
- (5) Only applicable to a *firm* that has an *individual consolidation permission*.

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- (6) This will be applicable to *firms* (other than building societies) that are members of a *UK consolidation group* on the reporting date.
- (7) Only applicable to a *firm* whose ultimate parent is a *mixed-activity holding company*.
- (8) Only applicable to a *firm* that is a *partnership*, when the report must be submitted by each *partner*.
- (9) Members of a *UK consolidation group* should only submit this *data item* at the *UK consolidation group* level.
- (10) Only applicable to a *firm* that has both a *core UK group* and a *non-core large exposures group*.
- (11) Only applicable to *firms* that have an *CRR permission* to use the *IRB Approach*
- (12) Only applies to a *dormant account fund operator* that does not fall into any of the other prudential categories in this table.
- (13) A *firm* must complete this item separately on each of the following bases that are applicable.
  - (a) It must complete it on an individual basis (including on the basis of the *firm's UK branch*). Therefore even if it has an *individual consolidation permission* it must complete the item on an unconsolidated basis by reference to the *firm* alone.
  - (b) If it is a *group liquidity reporting firm* in a *DLG by default* and is a *UK lead regulated firm*, it must complete the item on the basis of that group.
  - (c) If it is a *group liquidity reporting firm* in a *UK DLG by modification*, it must complete the item on the basis of that group and (a) does not apply.
  - (d) If it is a *group liquidity reporting firm* in a *non-UK DLG by modification*, it must complete the item on the basis of that group.
- (14) A *firm* must complete this item separately on each of the following bases that are applicable.
  - (a) It must complete it on an individual basis (including on the basis of the *firm's UK branch*) unless it is a *group liquidity reporting firm* in a *UK DLG by modification*. Therefore even if it has an *individual consolidation permission* it must complete the item on an unconsolidated basis by reference to the *firm* alone.
  - (b) If it is a *group liquidity reporting firm* in a *UK DLG by modification*, it must complete the item on the basis of that group.
- (15)
  - (a) If the *firm* has a *whole-firm liquidity modification* it must complete this item on the basis of the whole *firm* (or at any other *reporting level* the *whole-firm liquidity modification* may require) and not just its *UK branch*.
  - (b) If the *firm* does not have a *whole-firm liquidity modification*, there is no obligation to report this item.
- (16)
  - (a) This item must be reported in the reporting currency.

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- (b) If any *data element* is in a currency or currencies other than the reporting currency, all currencies (including the reporting currency) must be combined into a figure in the reporting currency.
- (c) In addition, all *material currencies* (which may include the reporting currency) must each be recorded separately (translated into the reporting currency).

However if:

- (i) the reporting frequency is (whether under a rule or under a *waiver*) quarterly or less than quarterly; or
- (ii) the only *material currency* is the reporting currency,

then (c) does not apply.

- (d) If there are more than three *material currencies* for this *data item*, (c) only applies to the three largest in amount. A *firm* must identify the largest in amount in accordance with the following procedure.
    - (i) For each currency, take the largest of the asset or liability figure as referred to in the definition of *material currency*.
    - (ii) Take the three largest figures from the resulting list of amounts.
  - (e) The date as at which the calculations for the purposes of the definition of *material currency* are carried out is the last day of the reporting period in question.
  - (f) The reporting currency for this *data item* is whichever of the following currencies the *firm* chooses, namely USD (the United States Dollar), EUR (the euro), GBP (sterling), JPY (the Japanese Yen), CHF (the Swiss Franc), CAD (the Canadian Dollar) or SEK (the Swedish Krona).
- (17) (16) applies, except that sub paragraphs (c), (d) and (e) do not apply, meaning that *material currencies* must not be recorded separately.
- (18) Unless otherwise stated in the relevant modification, any changes to reporting requirements caused by a *firm* receiving an *intra-group liquidity modification* or a *whole-firm liquidity modification* (or a variation to one) do not take effect until the first day of the next reporting period applicable under the changed reporting requirements for the *data item* in question if the *firm* receives that *intra-group liquidity modification*, *whole-firm liquidity modification* or variation part of the way through such a period. If the change is that the *firm* does not have to report a particular *data item* or does not have to report it at a particular *reporting level*, the *firm* must nevertheless report that item or at that *reporting level* for any reporting period that has already begun.
- (19) This *data item* must be reported only in the currencies named in FSA052, so that liabilities in GBP are reported in GBP in rows 1 to 4, those in USD are reported in USD in rows 5 to 8, and those in Euro are reported in Euro in rows 9 to 12. Liabilities in other currencies are not to be reported.

7.2 The applicable reporting frequencies for submission of *data items* and periods referred to in 7.1 are set out in the table below according to *firm* type. Reporting frequencies are calculated from a *firm's accounting reference date*, unless indicated otherwise.

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<b>RAG 1</b>				
<b>Data item</b>	<b>Unconsolidated UK banks and building societies</b>	<b>Individual consolidated UK banks and building societies</b>	<b>Report on a UK consolidation group or, as applicable, defined liquidity group basis by UK banks and building societies</b>	<b>Other members of RAG 1</b>
<i>Annual report and accounts</i>	Annually			Annually
<i>Annual report and accounts of the mixed-activity holding company</i>	Annually			
Solvency statement	Annually			
CQ				Quarterly
CY				Annually (1)
FSA001	Quarterly		Half yearly	
FSA002	Quarterly		Half yearly	Half yearly
FSA005	Quarterly		Half yearly	
FSA006	Quarterly			
FSA011	Quarterly			
FSA014	Half yearly			
FSA015	Quarterly		Half yearly	
FSA016		Half yearly		
FSA017	Quarterly		Half yearly	
FSA018	Quarterly			
FSA045	Quarterly		Half yearly	
FSA047	Daily, weekly, monthly or quarterly ((2), (3) and (6))		Daily, weekly, monthly or quarterly ((2), (5) and (6))	Daily, weekly, monthly or quarterly ((2),(4) and (6))

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<b>RAG 1</b>				
<b>Data item</b>	<b>Unconsolidated UK banks and building societies</b>	<b>Individual consolidated UK banks and building societies</b>	<b>Report on a UK consolidation group or, as applicable, defined liquidity group basis by UK banks and building societies</b>	<b>Other members of RAG 1</b>
FSA048	Daily, weekly, monthly or quarterly ((2), (3) and (6))		Daily, weekly, monthly or quarterly ((2), (5) and (6))	Daily, weekly, monthly or quarterly ((2),(4) and (6))
FSA050	Monthly ((2))		Monthly ((2))	Monthly ((2))
FSA051	Monthly ((2))		Monthly ((2))	Monthly (2)
FSA052	Weekly or monthly ((2) and (7))		Weekly or monthly ((2) and (8))	Weekly or monthly ((2) and (7))
FSA053	Quarterly (2)		Quarterly ( 2)	Quarterly (2)

- (1) The annual report required from a *credit union* by 7.1 must be made up for the same period as the audited accounts published by the *credit union* in accordance with section 3A of the Friendly and Industrial and Provident Societies Act 1968 or provided in accordance with article 49 of the Credit Unions (Northern Ireland) Order 1985 (as appropriate).
- (2) Reporting frequencies and reporting periods for this *data item* are calculated on a calendar year basis and not from a *firm's accounting reference date*. In particular:
- (a) A week means the period beginning on Saturday and ending on Friday.
  - (b) A month begins on the first day of the calendar month and ends on the last day of that month.
  - (c) Quarters end on 31 March, 30 June, 30 September and 31 December.
  - (d) Daily means each *business day*.
- All periods are calculated by reference to London time.
- (3) If the report is on an individual basis (and the *firm* is a *UK firm*) the reporting frequency is as follows:
- (a) if the *firm* does not have an *intra-group liquidity modification* the frequency is:

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- (i) weekly if the *firm* is a *standard frequency liquidity reporting firm*; and
    - (ii) monthly if the *firm* is a *low frequency liquidity reporting firm*;
  - (b) if the *firm* is a *group liquidity reporting firm* in a *non-UK DLG by modification (firm level)* the frequency is:
    - (i) weekly if the *firm* is a *standard frequency liquidity reporting firm*; and
    - (ii) monthly if the *firm* is a *low frequency liquidity reporting firm*;
  - (c) the frequency is quarterly if the *firm* is a *group liquidity reporting firm* in a *UK DLG by modification*.
- (4)
- (a) If the report is on an individual basis (and the *firm* is not a *UK firm*) the reporting frequency is as follows:
    - (i) weekly if the *firm* is a *standard frequency liquidity reporting firm*; and
    - (ii) monthly if the *firm* is a *low frequency liquidity reporting firm*.
  - (b) If the *firm* has a *whole-firm liquidity modification* (a) does not apply and instead the frequency of individual reporting is quarterly (or whatever other frequency the *whole-firm liquidity modification* requires).
- (5)
- (a) If the report is by reference to the *firm's DLG by default* the reporting frequency is:
    - (i) weekly if the *group liquidity standard frequency reporting conditions* are met;
    - (ii) monthly if the *group liquidity low frequency reporting conditions* are met.
  - (b) If the report is by reference to the *firm's UK DLG by modification* the reporting frequency is:
    - (i) weekly if the *group liquidity standard frequency reporting conditions* are met;
    - (ii) monthly if the *group liquidity low frequency reporting conditions* are met.
  - (c) If the report is by reference to the *firm's non-UK DLG by modification* the reporting frequency is quarterly.
- (6)
- (a) If the reporting frequency is otherwise weekly, the item is to be reported on every *business day* if (and for as long as) there is a *firm-specific liquidity stress* or *market liquidity stress* in relation to the *firm, branch* or group in question.
  - (b) If the reporting frequency is otherwise monthly, the item is to be reported weekly if (and for as long as) there is a *firm-specific liquidity stress* or *market liquidity stress* in relation to the *firm, branch* or group in question.
  - (c) A *firm* must ensure that it would be able at all times to meet the requirements for daily or weekly reporting under paragraph (a) or (b) even if there is no *firm-*

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*specific liquidity stress or market liquidity stress and none is expected.*

- (7) If the report is on an individual basis (including by reference to the *firm's UK branch*) the reporting frequency is as follows:
- (a) weekly if the *firm* is a *standard frequency liquidity reporting firm*; and
  - (b) monthly if the *firm* is a *low frequency liquidity reporting firm*.
- (8) If the report is by reference to the *firm's UK DLG by modification* the reporting frequency is:
- (a) weekly if the *group liquidity standard frequency reporting conditions* are met;
  - (b) monthly if the *group liquidity low frequency reporting conditions* are met.

7.3 The applicable due dates for submission referred to in the table in 6.1 are set out in the table below. The due dates are the last day of the periods given in the table below following the relevant reporting frequency period set out in 7.2, unless indicated otherwise.

<b>RAG 1</b>						
<b>Data item</b>	<b>Daily</b>	<b>Weekly</b>	<b>Monthly</b>	<b>Quarterly</b>	<b>Half yearly</b>	<b>Annually</b>
<i>Annual report and accounts</i>						80 business days (1) 7 months (2)
<i>Annual report and accounts of the mixed-activity holding company</i>						7 months
Solvency statement						3 months
CQ				1 month		
CY						6 months
FSA001				20 business days	45 business days	
FSA002				20 business days	45 business days	
FSA005				20 business days	45 business days	
FSA006				20 business days		



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<b>RAG 1</b>						
<b>Data item</b>	<b>Daily</b>	<b>Weekly</b>	<b>Monthly</b>	<b>Quarterly</b>	<b>Half yearly</b>	<b>Annually</b>
FSA011				15 <i>business days</i>		
FSA014					30 <i>business days</i> (3); 45 <i>business days</i> (4)	
FSA015				30 <i>business days</i>	45 <i>business days</i>	
FSA016					30 <i>business days</i>	
FSA017				20 <i>business days</i>	45 <i>business days</i>	
FSA018				45 <i>business days</i>		
FSA045				20 <i>business days</i>	45 <i>business days</i>	
FSA047	22.00 hours (London time) on the <i>business day</i> immediately following the last day of the reporting period for the item in question	22.00 hours (London time) on the <i>business day</i> immediately following the last day of the reporting period for the item in question	15 <i>business days</i>	15 <i>business days</i> or one <i>Month</i> (5)		
FSA048	22.00 hours (London time) on the <i>business day</i> immediately following the last day of the reporting period for the item in question	22.00 hours (London time) on the <i>business day</i> immediately following the last day of the reporting period for the item in question	15 <i>business days</i>	15 <i>business days</i> or one <i>Month</i> (5)		
FSA050			15 <i>business</i>			

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RAG 1						
Data item	Daily	Weekly	Monthly	Quarterly	Half yearly	Annually
			days			
FSA051			15 business days			
FSA052		22.00 hours (London time) on the second business day immediately following the last day of the reporting period for the item in question	15 business days			
FSA053			15 business days			

- (1) Applicable to *UK banks* and *dormant account fund operators*.
- (2) Applicable to *non-EEA banks*.
- (3) Applicable to unconsolidated and individual consolidated reports.
- (4) Applicable to UK consolidation group reports.
- (5) It is one *month* if the report relates to a *non-UK DLG by modification* or the *firm* has a *whole-firm liquidity modification*.

### 8 REGULATED ACTIVITY GROUP 2.1

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- 8.1 The financial reporting requirements for RAG 2.1 activities for *insurers*, excluding *friendly societies*, are set out in *IPRU(INS)*.
- 8.2 The financial reporting requirements for RAG 2.1 activities for *friendly societies* are set out in *IPRU(FSOC)*.
- 8.3 A *UK ISPV* must submit a copy of its annual audited financial statements within 3 months of its *accounting reference date*, but the report is only required if it was audited as a result of a statutory provision other than under *FSMA*.

### 9 REGULATED ACTIVITY GROUP 3

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- 9.1 A *lead regulated firm* must submit a copy of its annual report and audited accounts within 80 business days from its *accounting reference date*.

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9.2 The applicable *data items* referred to in the table in 6.1 for a *UK designated investment firm* are set out in the table below:

<b>RAG 3</b>	
<b>Description of <i>data item</i></b>	<b>Applicable <i>data items</i> (1)</b>
<i>Annual report and accounts</i>	No standard format
<i>Annual report and accounts of the mixed-activity holding company</i> (5)	No standard format
Solvency statement	No standard format (6)
Balance sheet	FSA001 (2)
Income statement	FSA002 (2)
Market risk	FSA005 ((2) and (16))
Market risk-supplementary	FSA006 (3)
Exposures between <i>core UK group</i> and <i>non-core large exposures group</i>	FSA018 (7)
Solo consolidation data	FSA016 ((8)
Pillar 2 questionnaire	FSA019 (4)
IRB portfolio risk	FSA045 (15)
Daily flows	FSA047 ((9), (11) and (13))
Enhanced Mismatch Report	FSA048 ((9), (11) and (13))
Liquidity Buffer Qualifying Securities	FSA050 ((10), (12) and (13))
Funding Concentration	FSA051 ((10), (12) and (13))
Pricing data	FSA052 ((10), (13) and (14))
Retail and corporate funding	FSA053 ((10), (12) and (13))

- (1) When submitting the completed *data item* required, a *firm* must use the format of the *data item* set out in Chapter 18.
- (2) *Firms* that are members of a consolidation group must also submit this report on a consolidation group basis.
- (3) Only applicable to *firms* with a *CRR permission* to use internal models in accordance with Title IV, Chapter 5 of the *CRR*.

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- (4) Only applicable to *UK designated investment firms* that:
- (a) are subject to consolidated supervision under the *CRR*, except those that are either included within the consolidated supervision of a group that includes a *UK credit institution*, or
  - (b) are not subject to consolidated supervision under the *CRR*.
- A *UK designated investment firm* under (a) must complete the report on the basis of its consolidation group. A *UK designated investment firm* under (b) must complete the report on the basis of its individual position.
- (5) Only applicable to a *firm* whose ultimate parent is a *mixed activity holding company*.
- (6) Only applicable to a *firm* that is a *sole trader* or a *partnership*, when the report must be submitted by each *partner*.
- (7) Only applicable to a *firm* that has both a *core UK group* and a *non-core large exposures group*.
- (8) Only applicable to a *firm* with an *individual consolidation permission*
- (9) A *firm* must complete this item separately on each of the following bases (if applicable).
- (a) It must complete it on an individual basis. Therefore even if it has an *individual consolidation permission* it must complete the item on an unconsolidated basis by reference to the *firm* alone.
  - (b) If it is a *group liquidity reporting firm* in a *DLG by default* and is a *UK lead regulated firm*, it must complete the item on the basis of that group.
  - (c) If it is a *group liquidity reporting firm* in a *UK DLG by modification*, it must complete the item on the basis of that group and (a) does not apply.
  - (d) If it is a *group liquidity reporting firm* in a *non-UK DLG by modification*, it must complete the item on the basis of that group.
- (10) A *firm* must complete this item separately on each of the following bases that are applicable.
- (a) It must complete it on an individual basis unless it is a *group liquidity reporting firm* in a *UK DLG by modification*. Therefore even if it has an *individual consolidation permission* it must complete the item on an unconsolidated basis by reference to the *firm* alone.
  - (b) If it is a *group liquidity reporting firm* in a *UK DLG by modification*, it must complete the item on the basis of that group.
- (11) (a) This item must be reported in the reporting currency.
- (b) If any *data element* is in a currency or currencies other than the reporting currency, all currencies (including the reporting currency) must be combined into a figure in the reporting currency.

## Appendix 1.2

- (c) In addition, all *material currencies* (which may include the reporting currency) must each be recorded separately (translated into the reporting currency).
- However if:
- (i) the reporting frequency is (whether under a rule or under a *waiver*) quarterly or less than quarterly; or
  - (ii) the only *material currency* is the reporting currency,
- then (c) does not apply.
- (d) If there are more than three *material currencies* for this *data item*, (c) only applies to the three largest in amount. A *firm* must identify the largest in amount in accordance with the following procedure.
- (i) For each currency, take the largest of the asset or liability figure as referred to in the definition of *material currency*.
  - (ii) Take the three largest figures from the resulting list of amounts.
- (e) The date as at which the calculations for the purposes of the definition of *material currency* are carried out is the last day of the reporting period in question.
- (f) The reporting currency for this *data item* is whichever of the following currencies the *firm* chooses, namely USD (the United States Dollar), EUR (the euro), GBP (sterling), JPY (the Japanese Yen), CHF (the Swiss Franc), CAD (the Canadian Dollar) or SEK (the Swedish Krona).
- (12) (11) applies, except that sub paragraphs (c), (d) and (e) do not apply, meaning that *material currencies* must not be recorded separately.
- (13) Unless otherwise stated in the relevant modification, any changes to reporting requirements caused by a *firm* receiving an *intra-group liquidity modification* (or a variation to one) do not take effect until the first day of the next reporting period applicable under the changed reporting requirements for the *data item* in question if the *firm* receives that *intra-group liquidity modification* or variation part of the way through such a period. If the change is that the *firm* does not have to report a particular *data item* or does not have to report it at a particular *reporting level*, the *firm* must nevertheless report that item or at that *reporting level* for any reporting period that has already begun.
- (14) This *data item* must be reported only in the currencies named in FSA052, so that liabilities in GBP are reported in GBP in rows 1 to 4, those in USD are reported in USD in rows 5 to 8, and those in Euro are reported in Euro in rows 9 to 12. Liabilities in other currencies are not to be reported.
- (15) Only applicable to *firms* that have a *CRR permission* to use the *IRB Approach*.
- (16) Lines 62 to 64 only are applicable. These lines apply to a *firm* that applies additions to their market risk capital calculation under the RNIV framework.

## Appendix 1.2

9.3 The applicable reporting frequencies for submission of *data items* and periods referred to in 9.2 are set out in the table below. Reporting frequencies are calculated from a *firm's accounting reference date*, unless indicated otherwise.

<b>RAG 3</b>	
<b>Data item</b>	<b>Reporting frequency</b>
<i>Annual report and accounts</i>	Annually
<i>Annual report and accounts of the mixed-activity holding company</i>	Annually
Solvency statement	Annually
FSA001	Quarterly
FSA002	Quarterly
FSA005	Quarterly
FSA006	Quarterly
FSA016	Half yearly
FSA018	Quarterly
FSA019	Annually
FSA045	Quarterly
FSA047	Daily, weekly, monthly or quarterly ((1), (2) and (3))
FSA048	Daily, weekly, monthly or quarterly ((1), (2) and (3))
FSA050	Monthly (1)
FSA051	Monthly (1)
FSA052	Weekly or monthly ((1) and (4))
FSA053	Quarterly (1)

- (1) Reporting frequencies and reporting periods for this *data item* are calculated on a calendar year basis and not from a *firm's accounting reference date*. In particular:
- (a) A week means the period beginning on Saturday and ending on Friday.
  - (b) A month begins on the first day of the calendar month and ends on the last day of that month.
  - (c) Quarters end on 31 March, 30 June, 30 September and 31 December.

## Appendix 1.2

(d) Daily means each *business day*.

All periods are calculated by reference to London time.

Any changes to reporting requirements caused by a *firm* receiving an *intra-group liquidity modification* (or a variation to one) do not take effect until the first day of the next reporting period applicable under the changed reporting requirements if the *firm* receives that *intra-group liquidity modification* or variation part of the way through such a period, unless the *intra-group liquidity modification* says otherwise.

- (2) If the report is on an individual basis the reporting frequency is as follows:
- (a) if the *firm* does not have an *intra-group liquidity modification* the frequency is:
    - (i) weekly if the *firm* is a *standard frequency liquidity reporting firm*; and
    - (ii) monthly if the *firm* is a *low frequency liquidity reporting firm*;
  - (b) if the *firm* is a *group liquidity reporting firm* in a *non-UK DLG by modification (firm level)* the frequency is:
    - (i) weekly if the *firm* is a *standard frequency liquidity reporting firm*; and
    - (ii) monthly if the *firm* is a *low frequency liquidity reporting firm*;
  - (c) the frequency is quarterly if the *firm* is a *group liquidity reporting firm* in a *UK DLG by modification*.
- (3)
- (a) If the reporting frequency is otherwise weekly, the item is to be reported on every *business day* if (and for as long as) there is a *firm-specific liquidity stress* or *market liquidity stress* in relation to the *firm* or group in question.
  - (b) If the reporting frequency is otherwise monthly, the item is to be reported weekly if (and for as long as) there is a *firm-specific liquidity stress* or *market liquidity stress* in relation to the *firm* or group in question.
  - (c) A *firm* must ensure that it would be able at all times to meet the requirements for daily or weekly reporting under paragraph (a) or (b) even if there is no *firm-specific liquidity stress* or *market liquidity stress* and none is expected.
- (4) If the report is on an individual basis the reporting frequency is:
- (a) Weekly if the *firm* is a *standard frequency liquidity reporting firm*; and
  - (b) Monthly if the *firm* is a *low frequency liquidity reporting firm*.

9.4 The applicable due dates for submission referred to in the table in 6.1 are set out in the table below. The due dates are the last day of the periods given in the table below following the relevant reporting frequency period set out in 9.3, unless indicated otherwise.

<b>RAG 3</b>						
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**Appendix 1.2**

<b>Data item</b>	<b>Daily</b>	<b>Weekly</b>	<b>Monthly</b>	<b>Quarterly</b>	<b>Half yearly</b>	<b>Annually</b>
<i>Annual report and accounts</i>						80 <i>business days</i>
<i>Annual report and accounts of the mixed-activity holding company</i>						7 months
Solvency statement						3 months
FSA001				20 <i>business days</i>	30 <i>business days</i> (1); 45 <i>business days</i> (2)	
FSA002				20 <i>business days</i>	30 <i>business days</i> (1); 45 <i>business days</i> (2)	
FSA005				20 <i>business days</i>	30 <i>business days</i> (1); 45 <i>business days</i> (2)	
FSA006				20 <i>business days</i>		
FSA016					30 <i>business days</i>	
FSA018				45 <i>business days</i>		
FSA019						2 months



**Appendix 1.2**

<b>RAG 3</b>						
<b>Data item</b>	<b>Daily</b>	<b>Weekly</b>	<b>Monthly</b>	<b>Quarterly</b>	<b>Half yearly</b>	<b>Annually</b>
FSA045				20 <i>business days</i>	30 <i>business days (1);</i> 45 <i>business days (2)</i>	
FSA047	22.00 hours (London time) on the <i>business day</i> immediately following the last day of the reporting period for the item in question	22.00 hours (London time) on the <i>business day</i> immediately following the last day of the reporting period for the item in question	15 <i>business days</i>	15 <i>business days or one month (3)</i>		
FSA048	22.00 hours (London time) on the <i>business day</i> immediately following the last day of the reporting period for the item in question	22.00 hours (London time) on the <i>business day</i> immediately following the last day of the reporting period for the item in question	15 <i>business days</i>	15 <i>business days or one month (3)</i>		
FSA050			15 <i>business days</i>			
FSA051			15 <i>business days</i>			
FSA052		22.00 hours (London time) on the <i>business day</i> immediately following the last day of the reporting period for the item in question	15 <i>business days</i>			
FSA053				15 <i>business days</i>		

## Appendix 1.2

- (1) For unconsolidated and individually-consolidated reports.
- (2) For consolidation group reports.
- (3) It is one *Month* if the report relates to a *non-UK DLG by modification*.

### 10 REGULATED ACTIVITY GROUP 4

10.1 This Chapter applies only to *UK designated investment firms*.

10.2 The applicable *data items* referred to in the table in 6.1 are set out in the table below:

<b>RAG 4</b>	
<b>Description of <i>data item</i></b>	<b>Applicable data items (1)</b>
Volumes and type of business (1)	FSA038
UCITS (2)	FSA042

- (1) Only applicable to *firms* that have a *managing investments permission*.
- (2) Only applicable to *firms* that have *permission* for *establishing, operating or winding up a regulated collective investment scheme*.

10.3 The applicable reporting frequencies for submission of *data items* referred to in 10.2 are set out in the table below. Reporting frequencies are calculated from a *firm's accounting reference date*, unless indicated otherwise.

<b>RAG 4</b>	
<b><i>Data item</i></b>	<b>Reporting frequency</b>
FSA038	Half yearly
FSA042	Quarterly

10.4 The applicable due dates for submission referred to in the table in 6.1 are set out in the table below. The due dates are the last day of the periods given in the table below following the relevant reporting frequency period set out in 10.3, unless indicated otherwise.

<b>RAG 4</b>						
<b><i>Data item</i></b>	<b>Daily</b>	<b>Weekly</b>	<b>Monthly</b>	<b>Quarterly</b>	<b>Half yearly</b>	<b>Annually</b>
FSA 038					30 <i>business days</i>	
FSA042				20 <i>business days</i>		

## Appendix 1.2

### 11 REGULATED ACTIVITY GROUP 5

11.1 This Chapter does not apply to a *lead regulated firm*.

11.2 The applicable *data items*, reporting frequencies and submission deadlines referred to in the table in 6.1 are set out in the table below. Reporting frequencies are calculated from a *firm's accounting reference date*, unless indicated otherwise. The due dates are the last day of the periods given in the table below following the relevant reporting frequency period.

<b><u>RAG 5</u></b>			
<b>Description of <i>data item</i></b>	<b><i>Data item</i> (1)</b>	<b>Frequency</b>	<b>Submission deadline</b>
Balance Sheet	Sections A.1 and A.2 MLAR	Quarterly	20 <i>business days</i>
Income Statement	Sections B.0 and B.1 MLAR	Quarterly	20 <i>business days</i>
Capital Adequacy	Section C MLAR	Quarterly	20 <i>business days</i>
Lending - Business flow and rates	Section D MLAR	Quarterly	20 <i>business days</i>
Residential Lending to individuals - New business profile	Section E MLAR	Quarterly	20 <i>business days</i>
Lending - Arrears analysis	Section F MLAR	Quarterly	20 <i>business days</i>
Mortgage administration - Business profile	Section G MLAR	Quarterly	20 <i>business days</i>
Mortgage Administration - Arrears analysis	Section H MLAR	Quarterly	20 <i>business days</i>
Analysis of loans to customers	Section A3 MLAR	Quarterly	20 <i>business days</i>
Provisions analysis	Section B2 MLAR	Quarterly	20 <i>business days</i>
Fees and levies	Section J MLAR	Annually	30 <i>business days</i>
Sale and rent back	Section K MLAR	Annually	30 <i>business days</i>

- (1) When submitting the completed *data item* required, a *firm* must use the format of the *data item* set out in Chapter 18.

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### 12 FINANCIAL CONGLOMERATES

- 12.1 This Chapter applies only to a *firm* that is a member of a *financial conglomerate* and either:
- (1) it is at the head of a *UK-regulated EEA financial conglomerate*; or
  - (2) its *Part 4A permission* contains a *requirement* which either:
    - (a) applies 12.3 to the *firm*; or
    - (b) applies 12.3 to the *firm* unless the *mixed financial holding company* of the *financial conglomerate* to which the *firm* belongs submits the report required under this rule (as if the rule applied to it).
- 12.2 *Firms* must submit to the *PRA* the duly completed *data items* specified in 12.3 in accordance with 12.3.
- 12.3 The table below sets out the following:
- (1) the applicable *data items*;
  - (2) the applicable reporting frequencies for submission of *data items* and periods (calculated from a *firm's accounting reference date*, unless indicated otherwise); and
  - (3) the applicable due dates for submission. The due dates are the last day of the periods given in the table below following the relevant reporting frequency period, unless indicated otherwise.

Financial conglomerates			
Content of Report	<i>Data item (1)</i>	Frequency	Due Date
Calculation of supplementary capital adequacy requirements in accordance with one of the three technical calculation methods	(2)	(5) Annually	(5)
Identification of significant <i>risk concentration</i> levels	(3)	Annually	4 months after year end
Identification of significant <i>intra-group transactions</i>	(4)	Annually	4 months after year end
Report on compliance with <i>GENPRU 3.1.35 R</i> where it applies	(6)	(5)	(5)

- (1) When giving the report required, a *firm* must use the form indicated, if any.
- (2) Adequate information must be provided, specifying the calculation method used and each *financial conglomerate* for which the *PRA* is the *co-ordinator* must discuss with the *PRA* the form which this reporting will take and the extent to which verification by an auditor will be required.

For the purposes of the above, where relevant to the agreed reporting arrangements, rules 9.40(1), 9.40(1A), 9.40(3) and 9.40(4) of *IPRU(INS)* apply as they would if the *financial*

## Appendix 1.2

*conglomerate* were an 'insurance group' (as that term is used in *IPRU(INS)*).

- (3) Rather than specifying a standard format for each *financial conglomerate* to use, each *financial conglomerate* for which the *PRA* is the *co-ordinator* must discuss with the *PRA* the form of the information to be reported. This should mean that usual information management systems of the *financial conglomerate* can be used to the extent possible to generate and analyse the information required.
- (4) For the purposes of this reporting requirement, an *intra-group transaction* will be presumed to be significant if its amount exceeds 5% of the total amount of capital adequacy requirements at the level of the *financial conglomerate*.  
Rather than specifying a standard format for each *financial conglomerate* to use, each *financial conglomerate* for which the *PRA* is the *co-ordinator* must discuss with the *PRA* the form of the information to be reported.
- (5) The frequency and due date will be as follows:
  - (a) *banking and investment services conglomerate*: frequency is annually with due date 45 *business days* after period end;
  - (b) *insurance conglomerate*: frequency is annually with due date four months after period end for the capital adequacy return and three months after period end for the report on compliance with *GENPRU 3.1.35 R* where it applies.
- (6) Adequate information must be added as a separate item to the relevant form for sectoral reporting.

### 13 PRUDENT VALUATION REPORTING

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- 13.1 This Chapter applies only to *UK banks and UK designated investment firms*.
- 13.2 *Firms* must submit to the *PRA* quarterly (on a calendar year basis and not from a *firm's accounting reference date*), within six weeks of each quarter end, a Prudent Valuation Return in respect of its fair-value assessments.
- 13.3 Where a *firm* is a member of a *consolidation group*, the *firm* must comply with 13.2:
  - (1) on an individual consolidation basis if the *firm* has an *individual consolidation permission*, or on an unconsolidated basis if the *firm* does not have an *individual consolidation permission*; and
  - (2) separately, on the basis of the *consolidated situation* of the *consolidation group*.
- 13.4 *Firms* must submit the Prudent Valuation Return via electronic mail to [prudentvaluationreturns@bankofengland.co.uk](mailto:prudentvaluationreturns@bankofengland.co.uk) or via post or hand delivery to Regulatory Data Group, Statistics and Regulatory Data Division (HO5 A-B), Bank of England, Threadneedle Street, London EC2R 8AH; or via fax to the Regulatory Data Group of the Bank of England (020 7601 3334).

### 14 TRANSITIONAL PROVISIONS – WAIVERS

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- 14.1 Subject to 14.4 this Chapter applies where, immediately before 1 January 2016, a *waiver* given in relation to a rule in the supervision manual in the *PRA Handbook* listed in column A of the table in 14.3 has effect.

## Appendix 1.2

14.2 Each *waiver* given in relation to a rule in the supervision manual in the *PRA Handbook* listed in column A of the table in 14.3 is to be treated as a *waiver* given by the *PRA* to the *firm* under the rule in this Part listed in the same row in column B of the table.

14.3

<b>Column A</b> <b>SUP 16.12 rule as in force until immediately before 1 January 2016</b>	<b>Column B</b> <b>Regulatory Reporting rule as in force from 1 January 2016</b>
SUP 16.12.4	6.1
SUP 16.12.5	7.1
SUP 16.12.6	7.2
SUP 16.12.7	7.3
SUP 16.12.8(1)	8.1
SUP 16.12.8(2)	8.2
SUP 16.12.8(3)	8.3
SUP 16.12.11B	9.2
SUP 16.12.12A	9.3
SUP 16.12.13A	9.4
SUP 16.12.15B	10.2
SUP 16.12.16A	10.3
SUP 16.12.17A	10.4
SUP 16.12.18	11.1
SUP 16.12.18A	11.2

14.4 This Chapter does not apply in relation to a *waiver* that is an *intra-group liquidity modification* or a *whole-firm liquidity modification*.

## 15 TRANSITIONAL PROVISIONS – REQUIREMENTS FOR MEMBERS OF FINANCIAL CONGLOMERATES

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15.1 This Chapter applies only to a *firm* that is a member of a *financial conglomerate*.

15.2 Where, immediately before 1 January 2016, the *firm's Part 4A permission* contained a *requirement* which applied SUP 16.12.33R in the supervision manual in the *PRA Handbook* to the *firm*, that requirement is to be treated as applying 12.3 to the *firm*.

15.3 Where, immediately before 1 January 2016, the *firm's Part 4A permission* contained a *requirement* which applied SUP 16.12.33R in the supervision manual in the *PRA Handbook* to the *firm* unless the *mixed financial holding company* of the *financial conglomerate* to which the *firm* belongs submits the report required under that rule (as if the rule applied to it), that requirement is to be treated as applying 12.3 to the *firm* unless the *mixed financial holding company* of the *financial conglomerate* to which the *firm* belongs submits the report required under that rule (as if the rule applied to it).

## 16 DATA ITEMS

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16.1 FSA001 can be found [here](#).

16.2 FSA002 can be found [here](#).

16.3 FSA005 can be found [here](#).

16.4 FSA006 can be found [here](#).

## Appendix 1.2

- 16.5 FSA011 can be found [here.](#)
- 16.6 FSA014 can be found [here.](#)
- 16.7 FSA015 can be found [here.](#)
- 16.8 FSA016 can be found [here.](#)
- 16.9 FSA017 can be found [here.](#)
- 16.10 FSA018 can be found [here.](#)
- 16.11 FSA019 can be found [here.](#)
- 16.12 FSA038 can be found [here.](#)
- 16.13 FSA042 can be found [here.](#)
- 16.14 FSA045 can be found [here.](#)
- 16.15 FSA047 can be found [here.](#)
- 16.16 FSA048 can be found [here.](#)
- 16.17 FSA050 can be found [here.](#)
- 16.18 FSA051 can be found [here.](#)
- 16.19 FSA052 can be found [here.](#)
- 16.20 FSA053 can be found [here.](#)
- 16.21 MLAR can be found [here.](#)
- 16.22 CQ can be found [here.](#)
- 16.23 CY can be found [here.](#)
- 16.24 Prudent Valuation Return can be found [here.](#)

Part

## REGULATORY REPORTING

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Externally defined glossary terms

<b>Term</b>	<b>Definition source</b>
<i>authorised person</i>	<i>FSMA s417</i>
<i>collective investment scheme</i>	<i>FSMA s235</i>
<i>consolidated situation</i>	<i>Article 4(1)(47) CRR</i>
<i>EEA State</i>	<i>FSMA s425</i>
<i>FCA</i>	<i>FSMA s417</i>
<i>friendly society</i>	<i>FSMA s417</i>
<i>group</i>	<i>FSMA s421</i>
<i>IRB Approach</i>	<i>Article 143(1) CRR</i>
<i>mixed-activity holding company</i>	<i>Article 4(1)(22) CRR</i>
<i>mixed financial holding company</i>	<i>Article 4(1)(21) CRR</i>
<i>month</i>	<i>Interpretation Act 1978 Schedule 1</i>
<i>overseas regulator</i>	<i>FSMA 195(3)</i>
<i>participation(s)</i>	<i>Article 4(1)(35) CRR</i>
<i>partnership</i>	<i>FSMA s417</i>
<i>person</i>	<i>Interpretation Act 1978 Schedule 1</i>
<i>PRA-authorised person</i>	<i>FSMA s2B(5)</i>
<i>regulated activity</i>	<i>FSMA s22</i>
<i>United Kingdom</i>	<i>Interpretation Act 1978 Schedule 1</i>



## Appendix 1.2

### Annex 1

#### Liquidity definitions

*defined liquidity group*

*DLG by default*

*DLG by modification (firm level)*

*firm-specific liquidity stress*

*group liquidity low frequency reporting conditions*

*group liquidity reporting firm*

*group liquidity standard frequency reporting conditions*

*low frequency liquidity reporting firm*

*market liquidity stress*

*material currencies*

*non-UK DLG by modification*

*non-UK DLG by modification (DLG level)*

*non-UK DLG by modification (firm level)*

*overall liquidity adequacy rule*

*standard frequency liquidity reporting firm*

*UK DLG by modification*

*UK lead regulated firm*

### Appendix 1.3

#### PRA RULEBOOK: REGULATORY REPORTING AMENDMENT INSTRUMENT 2015

##### **Powers exercised**

- A. The Prudential Regulation Authority (“PRA”) makes this instrument in the exercise of the following powers and related provisions in the Financial Services and Markets Act 2000 (“the Act”):
- (1) section 137G (The PRA’s general rules); and
  - (2) section 137T (General supplementary powers).
- B. The rule-making powers referred to above are specified for the purpose of section 138G(2) (Rule-making instrument) of the Act.

##### **Pre-conditions to making**

- C. In accordance with section 138J of the Act (Consultation by the PRA), the PRA consulted the Financial Conduct Authority. After consulting, the PRA published a draft of proposed rules and had regard to representations made.

##### **PRA Rulebook: Regulatory Reporting Amendment Instrument 2015**

- D. The PRA makes the rules in the Annex to this instrument.

##### **Commencement**

- E. The Annex to this instrument comes into force on the date specified by a subsequent PRA Board instrument.

##### **Citation**

This instrument may be cited as the PRA Rulebook: Regulatory Reporting Amendment Instrument 2015.

**By order of the Board of the Prudential Regulation Authority**  
31 July 2015

## Annex

In this Annex new text is underlined and deleted text is struck through.

## Part

## REGULATORY REPORTING

...

## 7 REGULATED ACTIVITY GROUP 1

7.1 The applicable *data items* referred to in the table in 6.1 are set out according to *firm* type in the table below:

RAG 1	Prudential category of <i>firm</i> , applicable <i>data items</i> and reporting format (1)					
	<i>UK bank</i>	<i>Building society</i>	<i>Non-EEA bank</i>	<i>EEA bank that has permission to accept deposits and that has its registered office (or, if it has no registered office, its head office) outside the EU</i>	<i>Credit union</i>	<i>Dormant account fund operator (12)</i>
<b>Description of <i>data item</i></b>						
...						
Liquidity Buffer Qualifying Securities	FSA050 <del>((14), (17) and (18))</del>	FSA050 <del>((14), (17) and (18))</del>				
Funding Concentration	FSA051 <del>((14), (17) and (18))</del>	FSA051 <del>((14), (17) and (18))</del>				
Pricing data	FSA052 <del>((14), (18) and (19))</del>	FSA052 <del>((14), (18) and (19))</del>				
Retail and corporate funding	FSA053 <del>((14), (17) and (18))</del>	FSA053 <del>((14), (17) and (18))</del>				

...

- (14) A firm must complete this item separately on each of the following bases that are applicable:
- (a) It must complete it on an individual basis (including on the basis of the firm's UK branch) unless it is a group liquidity reporting firm in a UK-DLG by modification. Therefore even if it has an individual consolidation permission it must complete the item on an unconsolidated basis by reference to the firm alone.
  - (b) If it is a group liquidity reporting firm in a UK-DLG by modification, it must complete the item on the basis of that group. [deleted]

...

- (17) (16) applies, except that sub-paragraphs (c), (d) and (e) do not apply, meaning that material currencies must not be recorded separately. [deleted]

...

7.2 The applicable reporting frequencies for submission of data items and periods referred to in 7.1 are set out in the table below according to firm type. Reporting frequencies are calculated from a firm's accounting reference date, unless indicated otherwise.

<b>RAG 1</b>				
<b>Data item</b>	<b>Unconsolidated UK banks and building societies</b>	<b>Individual consolidated UK banks and building societies</b>	<b>Report on a UK consolidation group or, as applicable, defined liquidity group basis by UK banks and building societies</b>	<b>Other members of RAG 1</b>
...				
FSA050	Monthly ((2))		Monthly ((2))	Monthly ((2))
FSA051	Monthly ((2))		Monthly ((2))	Monthly (2)
FSA052	Weekly or monthly ((2) and (7))		Weekly or monthly ((2) and (8))	Weekly or monthly ((2) and (7))
FSA053	Quarterly (2)		Quarterly (2)	Quarterly (2)

...

- (7) If the report is on an individual basis (including by reference to the firm's UK branch) the reporting frequency is as follows:
- (a) weekly if the firm is a standard frequency liquidity reporting firm; and

- (b) ~~monthly if the firm is a low frequency liquidity reporting firm. [deleted]~~
- (8) ~~If the report is by reference to the firm's UK DLG by modification the reporting frequency is:~~
  - (a) ~~weekly if the group liquidity standard frequency reporting conditions are met;~~
  - (b) ~~monthly if the group liquidity low frequency reporting conditions are met. [deleted]~~

7.3 The applicable due dates for submission referred to in the table in 6.1 are set out in the table below. The due dates are the last day of the periods given in the table below following the relevant reporting frequency period set out in 7.2, unless indicated otherwise.

<b>RAG 1</b>						
<b>Data item</b>	<b>Daily</b>	<b>Weekly</b>	<b>Monthly</b>	<b>Quarterly</b>	<b>Half yearly</b>	<b>Annual</b>
...						
FSA050			15 business days			
FSA051			15 business days			
FSA052		22.00 hours (London time) on the second business day immediately following the last day of the reporting period for the item in question	15 business days			
FSA053			15 business days			

...

**9 REGULATED ACTIVITY GROUP 3**

---

...

9.2 The applicable *data items* referred to in the table in 6.1 for a *UK designated investment firm* are set out in the table below:

<b>RAG 3</b>	
--------------	--

Description of <i>data item</i>	Applicable <i>data items</i> (1)
...	
Liquidity Buffer Qualifying Securities	FSA050 ((10), (12) and (13))
Funding Concentration	FSA051 ((10), (12) and (13))
Pricing data	FSA052 ((10), (13) and (14))
Retail and corporate funding	FSA053 ((10), (12) and (13))

...

- (10) *A firm must complete this item separately on each of the following bases that are applicable.*
- (a) *It must complete it on an individual basis unless it is a group liquidity reporting firm in a UK DLG by modification. Therefore even if it has an individual consolidation permission it must complete the item on an unconsolidated basis by reference to the firm alone.*
- (b) *If it is a group liquidity reporting firm in a UK DLG by modification, it must complete the item on the basis of that group. [deleted]*

...

- (12) *(11) applies, except that sub-paragraphs (c), (d) and (e) do not apply, meaning that material currencies must not be recorded separately. [deleted]*

...

- (14) *This data item must be reported only in the currencies named in FSA052, so that liabilities in GBP are reported in GBP in rows 1 to 4, those in USD are reported in USD in rows 5 to 8, and those in Euro are reported in Euro in rows 9 to 12. Liabilities in other currencies are not to be reported. [deleted]*

...

9.3 The applicable reporting frequencies for submission of *data items* and periods referred to in 9.2 are set out in the table below. Reporting frequencies are calculated from a *firm's accounting reference date*, unless indicated otherwise.

<b>RAG 3</b>	
<b>Data item</b>	<b>Reporting frequency</b>
...	
FSA050	Monthly (1)
FSA051	Monthly (1)

<b>RAG 3</b>	
<b>Data item</b>	<b>Reporting frequency</b>
FSA502	Weekly or monthly ((1) and (4))
FSA053	Quarterly (1)

...

- (4) If the report is on an individual basis the reporting frequency is:
- (a) ~~Weekly if the firm is a standard frequency liquidity reporting firm; and~~
  - (b) ~~Monthly if the firm is a low frequency liquidity reporting firm. [deleted]~~

9.4 The applicable due dates for submission referred to in the table in 6.1 are set out in the table below. The due dates are the last day of the periods given in the table below following the relevant reporting frequency period set out in 9.3, unless indicated otherwise.

<b>RAG 3</b>						
<b>Data item</b>	<b>Daily</b>	<b>Weekly</b>	<b>Monthly</b>	<b>Quarterly</b>	<b>Half yearly</b>	<b>Annual</b>
...						
FSA050			15 <i>business days</i>			
FSA051			15 <i>business days</i>			
FSA052		22.00 hours (London time) on the <i>business day</i> immediately following the last day of the reporting period for the item in question	15 <i>business days</i>			
FSA053				15 <i>business days</i>		

...

**16 DATA ITEMS**

---

...

16.17 ~~FSA050 can be found here.~~ [deleted]

16.18 ~~FSA051 can be found here.~~ [deleted]

16.19 ~~FSA052 can be found here.~~ [deleted]

16.20 ~~FSA053 can be found here.~~ [deleted]

...



**Appendix 1.4**

**PRA RULEBOOK: CRR FIRMS: REVERSE STRESS TESTING (AMENDMENT TO ICAA)  
INSTRUMENT 2015**

**Powers exercised**

- A. The Prudential Regulation Authority ("PRA") makes this instrument in the exercise of the following powers and related provisions in the Financial Services and Markets Act 2000 ("the Act"):
  - (1) section 137G (The PRA's general rules);
  - (2) section 137T (General supplementary powers).
- B. The rule-making powers referred to above are specified for the purpose of section 138G(2) (Rule-making instruments) of the Act.

**Pre-conditions to making**

- C. In accordance with section 138J of the Act (Consultation by the PRA), the PRA consulted the Financial Conduct Authority. After consulting, the PRA published a draft of proposed rules and had regard to representations made.

**PRA Rulebook: CRR Firms: Reverse Stress Testing (Amendment to ICAA) Instrument 2015**

- D. The PRA makes the rules in the Annex to this instrument.

**Commencement**

- E. This instrument comes into force on 3 August 2015.

**Citation**

- F. This instrument may be cited as the PRA Rulebook: CRR Firms: Reverse Stress Testing (Amendment to ICAA) Instrument 2015.

**By order of the Board of the Prudential Regulation Authority**  
31 July 2015.

## Annex

## Amendments to the Internal Capital Adequacy Assessment Part

In this Annex new text is underlined.

## Part

## INTERNAL CAPITAL ADEQUACY ASSESSMENT

---

Chapter content

...

### 15 REVERSE STRESS TESTING

...

#### **1 APPLICATION AND DEFINITIONS**

---

1.1 ...

1.2 In this Part, the following definitions shall apply:

...

*third country sub-group*

means a group of *undertakings* identified in Article 22 of the *CRR* which are required to be supervised on a consolidated basis under Article 22 of the *CRR*.

...

#### **15 REVERSE STRESS TESTING**

---

Application

15.1 This Chapter applies to a *CRR firm*.

Reverse stress testing

15.2 As part of its business planning and risk management obligations, including under the Risk Control Part of the *PRA* Rulebook, a *firm* must reverse stress test its business plan; that is, it must carry out stress tests and scenario analyses that test its business plan to failure. To that end, the *firm* must:

- (1) identify a range of adverse circumstances which would cause its business plan to become unviable and assess the likelihood that such events could crystallise; and
- (2) where those tests reveal a risk of business failure that is unacceptably high when considered against the firm's risk appetite or tolerance, adopt effective arrangements, processes, systems or other measures to prevent or mitigate that risk.

15.3 Where the firm is a member of:

- (1) a UK consolidation group; or
- (2) a third country sub-group;

it must conduct the reverse stress test on an individual basis as well as on a consolidated basis in relation to the UK consolidation group or the third country sub-group, as the case may be.

15.4 The design and results of a firm's reverse stress test must be documented and reviewed and approved at least annually by the firm's senior management or governing body. A firm must update its reverse stress test more frequently if it is appropriate to do so in the light of substantial changes in the market or in macroeconomic conditions.

...

**Part**

**INTERNAL CAPITAL ADEQUACY ASSESSMENT**

---

Externally defined glossary terms

Term	Definition source
...	...
<u>investment</u>	<u>s22(4) FSMA</u>

**Appendix 1.5**

**PRA RULEBOOK: CHANGE IN CONTROL INSTRUMENT 2015**

**Powers exercised**

- A. The Prudential Regulation Authority (“PRA”) makes this instrument in the exercise of the following powers and related provisions in the Financial Services and Markets Act 2000 (“the Act”):
- (1) section 137G (the PRA’s general rules);
  - (2) section 137T (general supplementary powers);
  - (3) section 179 (Requirements for section 178 notices); and
  - (4) section 191E (Requirements for notices under section 191D).
- B. The rule-making powers (section 137G and section 137T of the Act) referred to above are specified for the purpose of section 138G(2) (Rule-making instrument) of the Act.

**Pre-conditions to making**

- C. In accordance with section 138J of the Act (consultation by the PRA), the PRA consulted the Financial Conduct Authority. After consulting, the PRA published a draft of proposed rules and had regard to representations made.

**PRA Rulebook: Change in Control Instrument 2015**

- D. The PRA makes the rules and gives the directions in Annex A to this instrument.

**Commencement**

- E. This instrument comes into force on 3 August 2015.

**Citation**

- F. This instrument may be cited as the PRA Rulebook: Change in Control Instrument 2015.

**By order of the Board of the Prudential Regulation Authority**

31 July 2015

**Annex A**

In this Annex, the text is all new and is not underlined.

**Part**

# **CHANGE IN CONTROL**

---

**Chapter content**

- 1. APPLICATION AND DEFINITIONS**
- 2. OBLIGATIONS ON CONTROLLERS AND PROPOSED CONTROLLERS**
- 3. OBLIGATIONS ON FIRMS**
- 4. ONGOING NOTIFICATION REQUIREMENTS**
- 5. ANNUAL CONTROLLERS REPORT**
- 6. FORMS**

**Links**

## 1 APPLICATION AND DEFINITIONS

---

- 1.1 (1) Unless otherwise stated, this Part applies to every *firm* except:
- (a) an *incoming firm*;
  - (b) a *non-directive friendly society*.
- (2) Chapter 5 (Annual Controllars Report) does not apply to a *credit union*.
- (3) The *PRA* directs that Chapter 2 (Obligations on Controllars) applies to *persons* required to give to the *PRA* a *section 178 notice* or a notice under section 191D of *FSMA*.

- 1.2 In this Part, the following definitions shall apply:

*acquiring control*

has the meaning given in section 181 of *FSMA*, read in conjunction with the *Exemption Order*.

*Annual Controllars Report*

means the relevant form referred to in Chapter 6.6

*ceasing to have control*

has the meaning given in section 183(3) of *FSMA*, read in conjunction with the *Exemption Order*.

*change in control*

means any situation amounting to *acquiring control*, *ceasing to have control*, *increasing control*, or *reducing control*.

*controller*

has the meaning given in section 422 of *FSMA*, read in conjunction with the *Exemption Order*.

*Controller's Form*

means the relevant form referred to in Chapter 6.1 to 6.5.

*Exemption Order*

means the Financial Services and Markets Act 2000 (Controllars) (Exemption) Order 2009 (SI 2009/774).

*increasing control*

has the meaning given in section 182 of *FSMA*, read in conjunction with the *Exemption Order*.

*investment manager*

has the meaning given in the *FCA Handbook* from time to time other than for the purposes of the part of the *FCA Handbook* in Specialist sourcebooks that has the title Listing Rules.

*reducing control*

has the meaning given in section 183(1) and (2) of *FSMA*, read in conjunction with the *Exemption Order*.

*section 178 notice*

has the meaning given in section 178(3) of *FSMA*.

*UK domestic firm*

means a *firm* that has its registered office (or, if it has no registered office, its head office) in the United Kingdom.

## **2 OBLIGATIONS ON CONTROLLERS AND PROPOSED CONTROLLERS**

---

- 2.1 The *PRA* directs that a *person* submitting a *section 178 notice* in accordance with section 178(1) of *FSMA* must do so using the relevant *Controller's Form*.
- 2.2 (1) The *PRA* directs that a *person* who has submitted a *section 178 notice* must notify the *PRA* immediately if the *person* becomes aware, or has information which reasonably suggests, that the *person* has or may have provided the *PRA* with information which was or may have been false, misleading, incomplete or inaccurate, or has or may have changed in a material particular.
- (2) The notification must include:
- (a) details of the information which is or may be false, misleading, incomplete or inaccurate, or has or may have changed;
  - (b) an explanation of why such information was or may have been provided; and
  - (c) the correct information.
- (3) If the information in (2)(c) is not immediately available for submission with the *section 178 notice*, the *PRA* directs that the information must instead be submitted as soon as possible.
- (4) The requirement in (1) ceases if the *change in control* occurs or will not take place.
- 2.3 The *PRA* directs that a notice under section 191D of *FSMA* must provide details of the extent of control (if any) that the *controller* will have following the *change in control*.
- 2.4 Where a *controller* or proposed *controller* that is an *investment manager* is complying with the directions in 2.1 and 2.3 in connection with the acquiring or disposal of listed shares in the course its fund management activity, the *PRA* directs that it may use the *Controller's form* at 6.5.

### 3 OBLIGATIONS ON FIRMS

---

3.1 A *UK domestic firm*, other than a *non-directive firm* or a *building society*, must notify the *PRA* of:

- (1) a *person acquiring control* over the *firm*;
- (2) an existing *controller increasing control* over the *firm*;
- (3) an existing *controller reducing control* over the *firm*; or
- (4) an existing *controller ceasing to have control* over the *firm*.

3.2 A *building society* or a *non-directive firm* must notify the *PRA* of:

- (1) a *person acquiring control* over the *firm*; or
- (2) an existing *controller ceasing to have control* over the *firm*

unless that *person's acquiring* or *ceasing to have control* is exempt from the notification requirement in sections 178 or 191D of *FSMA* by virtue of the *Exemption Order*.

3.3 An *overseas firm* other than an *incoming firm* must notify the *PRA* of:

- (1) a *person acquiring control* over the *firm*;
- (2) an existing *controller increasing control* over the *firm*;
- (3) an existing *controller reducing control* over the *firm*; or
- (4) an existing *controller ceasing to have control* over the *firm*.

3.4 The notifications in 3.1 to 3.3 must:

- (1) be made:
  - (a) as soon as the *firm* becomes aware that a *person*, whether alone or acting in concert, has decided to *acquire control*, to *increase control* or to *reduce control*; or
  - (b) if the *change in control* takes place without the knowledge of the *firm*, within 14 days of the *firm* becoming aware of the *change in control* concerned;
- (2) in relation to *acquiring control* or *increasing control*, contain as much of the following information as the *firm* is able to provide, having made reasonable enquiries from *persons* and other sources as appropriate:
  - (a) the name of the *firm*;
  - (b) the name of the *controller* or proposed *controller* and, if it is a body corporate and is not an authorised person, the names of its directors and its *controllers*;
  - (c) a description of the proposed event including the shareholding and voting power of the *person* concerned, both before and after the *change in control*; and
  - (d) any other information of which the *PRA* would reasonably expect notice;



- (3) in relation to a *reducing control*, contain the following:
- (a) the name of the *controller*; and
  - (b) details of the extent of control (if any) which the *controller* will have following the reduction in *control*.
- 3.6 (1) A *UK domestic firm* must notify the *PRA* immediately if, in the period between a *section 178 notice* being submitted and the occurrence of the *change in control*, the *firm* becomes aware, or has information which reasonably suggests, that the *person* submitting the notice has or may have provided the *PRA* with information which was or may have been false, misleading, incomplete or inaccurate, or has or may have changed in a material particular.
- (2) The notification must include:
- (a) details of the information which is or may be false, misleading, incomplete or inaccurate, or has or may have changed;
  - (b) an explanation why such information was or may have been provided; and
  - (c) the correct information.
- (3) If the information in (2)(c) is not immediately available for submission with the notification, the information must instead be submitted as soon as possible.
- 3.7 During the period referred to in 3.6, a *UK domestic firm* must take reasonable steps to keep itself informed about the circumstances of the *controller* or the proposed *controller* to which the notification related.
- 3.8 A *firm* must notify the *PRA*:
- (1) when a *change in control* which was previously notified under 3.1 to 3.3 has taken place; or
  - (2) if the *firm* has grounds for reasonably believing that the event will not now take place.
- 3.9 The notification under 3.8 must be given within 14 days of the *change in control* or of having the grounds (as applicable).

#### **4 ONGOING NOTIFICATION REQUIREMENTS**

---

- 4.1 A *firm* must notify *PRA* immediately it becomes aware of any of the following matters in respect of one or more of its *controllers*:
- (1) if a *controller*, or any entity subject to his *control*, is or has been the subject of any legal action or investigation which might put into question the integrity of the *controller*;
  - (2) if there is a significant deterioration in the financial position of a *controller*;
  - (3) if a corporate *controller* undergoes a substantial change or series of changes in its *governing body*;

- (4) if a *controller*, who is authorised in another *EEA State* as a MiFID investment firm, *CRD credit institution* or UCITS management company or under the *Insurance Directives* or the *Insurance Mediation Directive*, ceases to be so authorised (registered in the case of an *IMD insurance intermediary*).
- 4.2 A *firm* must take reasonable steps to keep itself informed about *controllers*, including if applicable:
- (1) monitoring its register of shareholders (or equivalent);
  - (2) monitoring notifications to the *firm* in accordance with Part 22 of the Companies Act 2006;
  - (3) monitoring public announcements made under the relevant disclosure provisions of the Takeover Code or other rules made by the Takeover Panel;
  - (4) monitoring the entitlement of delegates, or persons with voting rights in respect of group insurance contracts, to exercise or control voting power at general meetings.

## 5 ANNUAL CONTROLLERS REPORT

---

- 5.1 A *firm* must submit (or procure that another *firm* in its *group* submits) to the PRA, by electronic means, a written *Annual Controllers Report* which contains the information specified in the form referred to at 6.6, within four months of the *firm's accounting reference date*.

### Exemptions

- 5.2 A *friendly society* or a *building society* is only required to submit a report under 5.1 if it is aware that it has a *controller*.
- 5.3 In relation to a *building society*, a *controller* does not include a *person* who is exempt from the obligation to notify a *change in control* under the *Exemption Order*.
- 5.4 An *insurer* need not submit a report under 5.1 to the extent that the information has already been provided to the PRA under *IPRU(INS) 9.30 R* (Additional information on controllers).

## 6 FORMS

---

- 6.1 The *Controllers Form* to be used by a limited company or limited liability partnership can be found [here](#).
- 6.2 The *Controllers Form* to be used by a partnership is can be found [here](#).
- 6.3 The *Controllers Form* to be used by an individual (other than in that individual's capacity as a trustee, settler or beneficiary of a trust) can be found [here](#).
- 6.4 The *Controllers Form* to be used by a *person* in their capacity as a trustee, settler or beneficiary of a trust can be found [here](#).
- 6.5 The *Controllers Form* to be used by a *person* in their capacity as an *investment manager* can be found [here](#).
- 6.6 The *Annual Controllers Report* can be found [here](#).



**Appendix 1.6**

**PRA RULEBOOK: CLOSE LINKS INSTRUMENT 2015**

**Powers exercised**

- A. The Prudential Regulation Authority (“PRA”) makes this instrument in the exercise of the following powers and related provisions in the Financial Services and Markets Act 2000 (“the Act”):
  - (1) section 137G (the PRA’s general rules); and
  - (2) section 137T (general supplementary powers).
- B. The rule-making powers referred to above are specified for the purpose of section 138G(2) (Rule-making instrument) of the Act.

**Pre-conditions to making**

- C. In accordance with section 138J of the Act (consultation by the PRA), the PRA consulted the Financial Conduct Authority. After consulting, the PRA published a draft of proposed rules and had regard to representations made.

**PRA Rulebook: Close Links Instrument 2015**

- D. The PRA makes the rules in Annex A to this instrument.

**Commencement**

- E. This instrument comes into force on 3 August 2015.

**Citation**

- F. This instrument may be cited as the PRA Rulebook: Close Links Instrument 2015.

**By order of the Board of the Prudential Regulation Authority**

31 July 2015

**Annex A**

In this Annex, the text is all new and is not underlined.

**Part**

# **CLOSE LINKS**

---

**Chapter content**

- 1. APPLICATION AND DEFINITIONS**
- 2. REQUIREMENT TO NOTIFY CHANGES IN CLOSE LINKS**
- 3. ELECTION TO NOTIFY CHANGES IN CLOSE LINKS ON A MONTHLY BASIS**
- 4. ANNUAL CLOSE LINKS REPORT**
- 5. FORMS**

**Links**

## 1 APPLICATION AND DEFINITIONS

---

1.1 Unless otherwise stated, this Part applies to every *firm* except an *incoming firm*.

1.2 In this Part, the following definitions shall apply:

*close links*

has the meaning given in *threshold condition* 5F(3) (Effective Supervision).

*Close Links Annual Report*

means the form referred to at 5.3.

*Close Links Monthly Report*

means the form referred to at 5.2.

*Close Links Notification Form*

means the form referred to at 5.1.

## 2 REQUIREMENT TO NOTIFY CHANGES IN CLOSE LINKS

---

2.1 A *firm* must notify (or procure that another *firm* in its *group* notifies) the *PRA* that it has begun to have or ceased to have *close links* with any *person*.

2.2 Where a *firm* has elected to report changes in *close links* on a monthly basis under 3.1, it must:

(1) within fifteen *business days* of the end of each month, report (or procure that another *firm* in its *group* reports) electronically for that month, by completing the *Close Links Monthly Report* and submitting it through the relevant platform provided by the *PRA*;

(2) on a quarterly basis, submit (or procure that another *firm* in its *group* submits) a *group* organisation chart, unless there have been no changes since the submission of the previous organisation chart to the *PRA*, in which case the *group* organisation chart is not required.

2.3 The *Close Links Monthly Report* must include the information specified in the form.

2.4 Where a *firm* has not elected to report changes in *close links* on a monthly basis under 3.1, it must make (or procure that another *firm* in its *group* makes) a notification by completing the *Close Links Notification Form* as soon as reasonably practicable and no later than one month after it becomes aware that it has begun to have or ceased to have *close links* with any *person*.

2.5 The notification submitted under 2.4 must be made by completing the *Close Links Notification Form* and must include all the relevant information specified therein.

### **3 ELECTION TO NOTIFY CHANGES IN CLOSE LINKS ON A MONTHLY BASIS**

---

- 3.1 A *firm* wishing to report changes in *close links* on a monthly basis must send a written notice of election to the *firm's* usual supervisory contact at the *PRA*.
- 3.2 A *firm* wishing to cease reporting changes in *close links* on a monthly basis must send a written notice of that intention to its usual supervisory contact at the *PRA* at least one month before changing its *close links* reporting practice.

### **4 ANNUAL CLOSE LINKS REPORT**

---

- 4.1 A *firm* must submit (or procure that another *firm* in its *group* submits) annually by electronic means to the *PRA* the *Close Links Annual Report*, within four months of the *firm's* *accounting reference date*.
- 4.2 An unincorporated *friendly society* is only required to submit a report under 4.1 if it is aware that it has *close links*.
- 4.3 The *Close Links Annual Report* must include the information specified in the form.

### **5 FORMS**

---

- 5.1 The *Close Links Notification Form* can be found [here](#).
- 5.2 The *Close Links Monthly Report* can be found [here](#).
- 5.3 The *Close Links Annual Report* can be found [here](#).

Part

## CLOSE LINKS

---

Externally defined glossary terms

<b>Term</b>	<b>Definition source</b>
<i>friendly society</i>	<i>s417 FSMA</i>
<i>group</i>	<i>s421 FSMA</i>
<i>person</i>	<i>Schedule 1 Interpretation Act 1978</i>
<i>threshold condition</i>	<i>s55B(1) FSMA</i>



## Appendix 1.7

### HANDBOOK (RULEBOOK CONSEQUENTIALS NO. 3) INSTRUMENT 2015

#### Powers exercised

- A. The Prudential Regulation Authority (“PRA”) makes this instrument in the exercise of the following powers and related provisions in the Financial Services and Markets Act 2000 (“the Act”):
- (1) section 137G (The PRA’s general rules);
  - (2) section 137T (General supplementary powers);
- B. The rule-making powers referred to above are specified for the purpose of section 138G(2) (Rule-making instrument) of the Act.

#### Pre-conditions to making

- C. In accordance with section 138J of the Act (Consultation by the PRA), the PRA consulted the Financial Conduct Authority. After consulting, the PRA published a draft of proposed rules and had regard to representations made.

#### Amendments

- D. The modules of the PRA’s Handbook of rules and guidance listed in column (1) below are amended in accordance with the Annexes to this instrument listed in column (2).

(1)	(2)
Glossary	A
Credit Unions sourcebook (CREDS)	B
Senior Management Arrangements, Systems and Controls (SYSC)	C
General Provisions (GEN)	D
Supervision (SUP)	E
Supervision (SUP)	F
General Prudential sourcebook (GENPRU)	G
Interim Prudential sourcebook for Insurers (IPRU-INS)	H
Credit Unions sourcebook (CREDS)	I
Glossary	J

#### Deletion

- E. Each of the modules, sourcebooks and sections of the PRA’s Handbook listed in Annex K are deleted.

**Commencement**

- F. Annexes A, B, C, D, E and K to this instrument come into force on 3 August 2015.  
Annexes F, G, H, I and J to this instrument come into force on 1 January 2016.

**Citation**

- G. This instrument may be cited as the Handbook (Rulebook Consequentials No. 3) Instrument 2015.

**By order of the Board of the Prudential Regulation Authority**

31 July 2015

## Annex A

## Amendments to the Glossary

In this Annex new text is underlined and deleted text is struck through.

<i>client money</i>	(1)	...
	(2)	...
	(3)	<del>(in MIPRU):</del> <u>[deleted]</u>
	(a)	in relation to an <i>insurance intermediary</i> when acting as such, <del>money</del> which is <i>client money</i> in (2); <u>[deleted]</u>
	(b)	in relation to a <del>home finance intermediary</del> when acting as such, <del>money</del> of any currency which in the course of carrying on <i>home finance mediation activity</i> , the <i>firm</i> holds on behalf of a <i>client</i> , either in a bank account or in the form of cash. <u>[deleted]</u> .
	...	
...		
<i>common platform firm</i>	(A)	In the <i>PRA Handbook</i> (except SYSC 4-9):
		...
	(AB)	In the <i>PRA Handbook</i> (in SYSC 4-9), has the same meaning as in (A) except that it excludes a <u>CRR firms (other than an <i>incoming firm</i>)</u> .
...		
<i>director</i>	(1)	(except in <i>COLL</i> , <i>DTR</i> , <i>LR</i> and <i>PR</i> ) (in relation to any of the following (whether constituted in the <i>United Kingdom</i> or under the law of a country or territory outside it)):
	(a)	...
	(b)	...

		(c)	(in SYSC, <del>MIPRU 2 (Insurance mediation activity: responsibility, knowledge, ability and good repute)</del> and SUP 10 (Approved persons)) a partnership;
		(d)	...
	...		
...			
exposure	(1)		...
	(2)		(in accordance with Article 77 of the <del>Banking Consolidation Directive</del> and for the purposes of the calculation of the <del>credit risk capital component</del> and the <del>counterparty risk capital component</del> (including <del>BIPRU 3 (Standardised credit risk)</del> , <del>BIPRU 4 (The IRB approach)</del> , <del>BIPRU 5 (Credit risk mitigation)</del> , <del>BIPRU 9 (Securitisation)</del> or for the purposes of the calculation of the credit risk capital requirement in <del>MIPRU 4.2 (Capital resources requirement)</del> ) an asset or off-balance sheet item. <del>[deleted]</del> )
	(3)		(for the purposes of <del>BIPRU 10 (Large exposures requirements)</del> ) has the meaning in <del>BIPRU 10.2 (Identification of exposures and recognition of credit risk mitigation)</del> . <del>[deleted]</del> )
...			
listed	(A)		In the PRA Handbook:
		(1)	(except in <del>SUP 11, INSPRU</del> and <del>IPRU(INS)</del> ) included in an official list.
		(2)	(in <del>SUP 11, INSPRU</del> and <del>IPRU(INS)</del> ):
			...
...			
non-directive firm			(in <del>SUP 11 (Controllers and close links)</del> and <del>SUP 16 (Reporting requirements)</del> ) (in accordance with the Financial Services and Markets Act 2000 (Controllers) (Exemption) Order 2009 (SI 2009/774)) a UK domestic firm other than:

...		
<i>risk weight</i>	(in relation to an <i>exposure</i> for the purposes of <i>BIPRU</i> ) a degree of risk expressed as a percentage assigned to that <i>exposure</i> in accordance with :	
	(a)	...
	(b)	<del>(for a <i>firm</i> to which <i>MIPRU 4</i> applies), <i>MIPRU 4.2A.10 R</i> to <i>MIPRU 4.2A.13 R</i> [deleted].</del>
...		
<i>securitisation</i>	(1)	...
	(2)	<del>(in accordance with Article 4(36) of the <i>Banking Consolidation Directive</i> (Definitions), in <i>BIPRU</i> and <i>MIPRU 4</i>) a transaction or scheme whereby the credit risk associated with an <i>exposure</i> or pool of <i>exposures</i> is <i>tranchéd</i> having the following characteristics: [deleted]</del>
	(a)	<del>payments in the transaction or scheme are dependent upon the performance of the <i>exposure</i> or pool of <i>exposures</i>; and [deleted]</del>
	(b)	<del>the subordination of <i>tranches</i> determines the distribution of <i>losses</i> during the ongoing life of the transaction or scheme [deleted].</del>
...		
<i>sponsor</i>	<del>(in <i>BIPRU</i>), in accordance with Article 4(42) of the <i>Banking Consolidation Directive</i> (Definitions) and in relation to a <i>securitisation</i> within the meaning of paragraph (2) of the definition of <i>securitisation</i>) an <i>undertaking</i> other than an <i>originator</i> that establishes and manages an <i>asset backed commercial paper programme</i> or other <i>securitisation</i> scheme that purchases <i>exposures</i> from third party entities <u>has</u> the meaning in article 4(1)(14) of the <i>EU CRR</i>.</del>	

## Annex B

## Amendments to the Credit Unions sourcebook (CREDS)

In this Annex new text is underlined and deleted text is struck through.

...		
1.1	<b>Application and purpose</b>	
...		
1.1.2	<u>G</u>	<p><del>(1) CREDS covers only the requirements associated with a Part 4A permission to accept deposits. The Conduct of Business sourcebook (COBS) sets out additional requirements for credit unions that are CTF providers in relation to cash deposit CTFs. [deleted]</del></p>
		<p><del>(2) Other permissions are covered elsewhere in the Handbook. So, for example, a credit union seeking a permission to undertake a regulated mortgage activity would need to comply with the requirements in the Mortgages and Home Finance: Conduct of Business sourcebook (MCOB), and a credit union seeking a permission to undertake insurance mediation activity in relation to non-investment insurance contracts would need to comply with the requirements in the Insurance: Conduct of Business sourcebook (ICOBS). [deleted]</del></p>
		<p><del>(3) The provisions of the Prudential sourcebook for Mortgage and Home Finance Firms, and Insurance Intermediaries (MIPRU) and the Interim Prudential sourcebook for Investment Businesses (IPRU(INV)) may also be relevant to a credit union whose Part 4A permission includes insurance mediation activity or mortgage mediation activity or which is a CTF provider with permission to carry on designated investment business. [deleted]</del></p>
1.1.2B	<u>G</u>	<p><u>(1) CREDS covers only the requirements associated with a Part 4A permission to accept deposits. The Conduct of Business sourcebook (COBS) sets out additional requirements for credit unions that are CTF providers in relation to cash deposit CTFs.</u></p>
		<p><u>(2) Other permissions are covered elsewhere in the Handbook. So, for example, a credit union seeking a permission to undertake a regulated mortgage activity would need to comply with the requirements in the Mortgages and Home Finance: Conduct of Business sourcebook (MCOB), and a credit union seeking a permission to undertake insurance mediation activity in relation to non-investment insurance contracts would need to comply with the requirements in the Insurance: Conduct of Business sourcebook (ICOBS).</u></p>
		<p><u>(3) The provisions of the Interim Prudential sourcebook for Investment Businesses (IPRU(INV)) may also be relevant to a credit union whose Part 4A permission includes insurance mediation activity or mortgage mediation activity or which is a CTF provider with permission to carry on designated investment business.</u></p>

## Annex C

## Amendments to Senior Management Arrangements, Systems and Controls (SYSC)

In this Annex new text is underlined and deleted text is struck through.

...		
<b>1.1A</b>		<b>Application</b>
...		
<u>1.1A.1A</u>	<u>G</u>	Chapters 4 to 9 are not applicable to <i>CRR firms</i> ( <u>other than <i>incoming firms</i></u> ). <del>CRR firms are subject to the rules in the General Organisational Requirements Part of the PRA Rulebook.</del>
...		
<b>1 Annex 1</b>		<b>Detailed application of SYSC</b>
...		
<b>Part 2</b>		<b>Application of the common platform requirements (SYSC 4 to 10)</b>
...		
2.1A	R	The <i>common platform organisational requirements</i> apply to every <i>firm</i> apart from a <i>CRR firm</i> ( <u>other than an <i>incoming firm</i></u> ), an <i>insurer</i> , a <i>managing agent</i> and <i>the Society</i> unless provided otherwise in a specific <i>rule</i> .
2.1B	R	<del>SYSC 10 applies to every <i>firm</i> apart from an <i>insurer</i>, a <i>managing agent</i> and <i>the Society</i> unless provided otherwise in a specific <i>rule</i>. [deleted]</del>
...		
<b>Part 3</b>		<b>Tables summarising the application of the common platform requirements to different types of firm</b>
...		
3.2C	R	For a <i>common platform firm</i> other than a <i>CRR firm</i> ( <u>other than an <i>incoming firm</i></u> ), Provision SYSC 4 to Provision SYSC 9 apply in accordance with Column A in the table below.
3.2D	G	SYSC 4 to 9 are not applicable to a <u><i>CRR firms</i></u> ( <u>other than an <i>incoming firm</i></u> ). <u>A <i>CRR firm</i> (other than an <i>incoming firm</i>)s are is</u> subject to the rules in the General Organisational Requirements, Skills, Knowledge and Expertise, Compliance and Internal Audit, Risk Control, Outsourcing and Record Keeping Parts of the <i>PRA Rulebook</i> .

3.2E	R	For a <del>common platform firm</del> , Provision SYSC 10 applies in accordance with Column A in the table below <u>does not apply to PRA-authorized persons and the table below must be read accordingly.</u>
...		
3.3A	G	For all other <i>firms</i> apart from <i>CRR firms (other than incoming firms)</i> , <i>insurers, managing agents</i> , the <i>Society</i> and <i>full-scope UK AIFMs of unauthorised AIFs</i> , they apply in accordance with Column B in the table below. For these <i>firms</i> , where a <i>rule</i> is shown modified in Column B as 'Guidance', it should be read as <i>guidance</i> (as if "should" appeared in that rule instead of "must") and should be applied in a proportionate manner, taking into account the nature, scale and complexity of the firm's business.
3.4	R	For the purposes of Provision SYSC 4 to Provision SYSC 9 in the table below, the references to:
		(1) "common platform firm" in Column A must be read as "a common platform firm apart from a <del>CRR firm</del> <i>CRR firm (other than an incoming firm)</i> "; and
		(2) "all other firms" in Column B must be read as "all other firms apart from <del>CRR firms</del> a <i>CRR firm (other than an incoming firm)</i> ".
		(3) <u>rules or guidance that apply to the UK branch of a non-EEA bank in accordance with Column B must not be applied by the UK branch of a non-EEA bank.</u>
		(4) SYSC 7.1.4A G is to be read as SYSC 7.1.4AA G.
3.5	R	For the purposes of Provision SYSC 4 to Provision SYSC 9 in the table below, Column B applies to <i>credit unions</i> only.
...		
7.1		<b>Risk control</b>
...		
7.1.4A	G	<del>For a common platform firm included within the scope of SYSC 20 (Reverse stress testing), the strategies, policies and procedures for identifying, taking up, managing, monitoring and mitigating the risks to which the firm is or might be exposed include conducting reverse stress testing in accordance with SYSC 20. A common platform firm which falls outside the scope of SYSC 20 should consider conducting reverse stress tests on its business plan as well. This would further senior personnell understanding of the firm's vulnerabilities and would help them design measures to prevent or mitigate the risk of business failure.[deleted]</del>
7.1.4AA	G	For a <i>common platform firm</i> included within the scope of chapter 15 of the Internal Capital Adequacy Assessment Part of the PRA Rulebook, the



		<u>strategies, policies and procedures for identifying, taking up, managing, monitoring and mitigating the risks to which the <i>firm</i> is or might be exposed include conducting reverse stress testing in accordance with chapter 15 of the Internal Capital Adequacy Assessment Part of the <i>PRA</i> Rulebook. A <i>common platform firm</i> which falls outside the scope of chapter 15 of the Internal Capital Adequacy Assessment Part of the <i>PRA</i> Rulebook should consider conducting reverse stress tests on its business plan as well. This would further <i>senior personnel's</i> understanding of the <i>firm's</i> vulnerabilities and would help them design measures to prevent or mitigate the risk of business failure.</u>	
...			
<b>12.1</b>	<b>Application</b>		
...			
12.1.13A	R	When applying SYSC 12.1.13R, <u>a <i>CRR firms</i> (other than an <i>incoming firm</i>)</u> must read references to:	
		(1)	...
...			
<b>20.1</b>	<b>Application and purpose</b>		
	Application		
20.1.1	R	(1)	SYSC 20 applies to:
		(a)	a <i>firm</i> which is <u>[deleted]</u> :
		(i)	a <del><i>bank</i></del> <u>[deleted]</u> ; or
		(ii)	a <del><i>building society</i></del> <u>[deleted]</u> ; or
		(iii)	a <del><i>designated investment firm</i></del> which meets any of the criteria set out in (2) on an individual basis, or in (3) on a consolidated basis <u>[deleted]</u> ; and
		(b)	an <i>insurer</i> unless it is:
		(i)	a <i>non-directive friendly society</i> ; or
		(ii)	a <i>Swiss general insurer</i> ; or
		(iii)	an <i>EEA-deposit insurer</i> ; or
		(iv)	an <i>incoming EEA firm</i> ; or
		(v)	an <i>incoming Treaty firm</i> .
		(2)	Subject to (4), SYSC 20 applies to a <del><i>designated investment firm</i></del> if <u>[deleted]</u> :

		(a)	it has assets under management or administration of at least £10 billion (or the equivalent amount in foreign currency) <del>[deleted]</del> ; or
		(b)	the total annual <del>fee and commission</del> income arising from its <del>regulated activities</del> is at least £250 million (or the equivalent amount in foreign currency) <del>[deleted]</del> ; or
		(c)	it has assets or liabilities of at least £2 billion (or the equivalent amount in foreign currency) <del>[deleted]</del> .
	(3)		Subject to (4), where all of the <del>designated investment firms</del> within the same <del>consolidation group or non-EEA sub-group</del> , taken together as if they were one <del>firm</del> , meet any of the criteria in (2), SYSC 20 applies to each of those <del>designated investment firms</del> as if it individually met the inclusion criteria in (2) <del>[deleted]</del> .
	(4)		Any <del>designated investment firm</del> which is included within the scope of SYSC 20 in accordance with (2) or (3) in any given year will continue to be subject to SYSC 20 for the following two years irrespective of whether or not it continues to meet the inclusion criteria <sup>3</sup> in any of these subsequent years <del>[deleted]</del> .

...

<u>20.1.4A</u>	<u>G</u>	The reverse stress testing requirements are an integral component of a <i>firm's</i> business planning and risk management under SYSC. <del>For BIPRU firms as referred to in SYSC 20.1.1R (1)(a), this chapter amplifies SYSC 7.1.1 G to SYSC 7.1.8 G on risk control. For insurers as referred to in SYSC 20.1.1R (1)(b), this chapter amplifies SYSC 14.1.17 G to SYSC 14.1.25 G on business planning and risk management.</del>
...		
<b>21.1</b>		<b>Risk control: guidance on governance arrangements</b>
		Additional guidance on governance arrangements
...		
<u>21.1.1A</u>	<u>G</u>	<u>References to "firm" in SYSC 21 should be read as excluding CRR firms (other than incoming firms).</u>
...		

**Annex D**

**Amendments to General Provisions (GEN)**

In this Annex new text is underlined and deleted text is struck through.

...	
<b>2.2</b>	<b>Interpreting the Handbook</b>
...	
	Cross-references in the Handbook
<u>2.2.13B</u>	<u>R</u> <u>A reference in the <i>Handbook</i> to a provision in the <i>PRA</i> Rulebook is a reference to that provision as amended from time to time.</u>
...	

## Annex E

## Amendments to the Supervision manual (SUP)

In this Annex new text is underlined and deleted text is struck through.

...		
<b>10B.6</b>		<b>PRA governing functions</b>
...		
		<b>Insurance mediation</b>
10B.6.19	G	<del>A firm carrying on insurance mediation activity, other than a sole trader, must allocate to a director or senior manager the responsibility for the firm's insurance mediation activity (MIPRU 2.2.1 R). MIPRU 2.2.2 R (1) provides that the firm may allocate this responsibility to one or more of the persons performing a governing function (other than the non-executive director function).</del> <u>[deleted]</u>
10B.6.20	G	<del>Where a person performing a governing function is also responsible for the firm's insurance mediation activity, the words "(insurance mediation)" will be inserted after the relevant PRA controlled function (see MIPRU 2.2.5 G).</del> <u>[deleted]</u>
...		

<b>16.1</b>	<b>Application</b>
-------------	--------------------

...

**16.1.3 R**

(1) Section(s)	(2) Categories of firm to which section applies	(3) Applicable rules and guidance
...	...	...
SUP 16.4 and SUP 16.5 [FCA only]	All categories of <i>firm</i> except:	Entire sections
	(-a) a <i>credit union</i> ;	
	(a) an <i>ICVC</i> ;	
	(b) an <i>incoming EEA firm</i> ;	
	(c) an <i>incoming Treaty firm</i> ;	
	(d) a <i>non-directive friendly society</i> ;	
	(e) [deleted]	
	(f) a <i>sole trader</i> ;	
	(g) a <i>service company</i> ;	
	(h) a <i>UCITS qualifier</i> ;	
	(i) a <i>firm with permission to carry on only retail investment activities</i> ;	
	(j) a <i>firm with permission to carry on only insurance mediation activity, home finance mediation activity, or both</i> ;	
	(ja) an <i>FCA-authorized person with permission to carry on only credit-related regulated activity</i> ;	
	(k) a <i>firm falling within a combination of (i),(j) and (ja)</i> .	
...	...	...

...

**16.3 General provisions on reporting**

...

SUP 16.3.2A	G	This chapter has been split into the following sections, covering:	
		(1)	<del>annual controllers reports (SUP 16.4) [deleted];</del>
		(2)	<del>annual close links reports (SUP 16.5) [deleted];</del>
		...	
...			

16.3.26	G	<del>Examples of reports covering a group are: [deleted]</del>	
		(1)	<del>The compliance reports required from banks under SUP 16.6.4R; [deleted]</del>
		(2)	<del>annual controllers reports required under SUP 16.4.5R; [deleted]</del>
		(3)	<del>annual close links reports required under SUP 16.5.4R; [deleted]</del>
		(4)	<del>consolidated financial reports required from banks under SUP 16.12.5R; [deleted]</del>
		(5)	<del>consolidated reporting statements required from securities and futures firms under SUP 16.12.11R; [deleted]</del>
		(6)	<del>Reporting in relation to defined liquidity groups under SUP 16.12. [deleted]</del>
16.3.26A	G	<del>Examples of reports covering a group are:</del>	
		(1)	<del>The compliance reports required from banks under SUP 16.6.4R;</del>
		(2)	<del>[deleted];</del>
		(3)	<del>[deleted];</del>
		(4)	<del>consolidated financial reports required from banks under SUP 16.12.5R;</del>
		(5)	<del>consolidated reporting statements required from securities and futures firms under SUP 16.12.11R;</del>
		(6)	<del>Reporting in relation to defined liquidity groups under SUP 16.12.</del>

...

## Sch 1 Record keeping requirements

...

## Sch 1.2 G

...

Handbook reference	Subject of record	Contents of record	When record must be made	Retention period
...				
<del>SUP 13.11</del> [FCA] [PRA]	<del>UK firm exercising EEA right</del>	(a) the services or activities it carries on from a <i>branch</i> in, or provide <i>cross border services</i> into, another <i>EEA State</i> under that <i>EEA right</i> ; and the <i>requisite details</i> or relevant details relating to those services or activities (if applicable)	Not specified	Three years from the earlier of the date on which:(a) it was superseded by a more up-to-date record; or
				(a) the <i>UK firm</i> ceased to have a <i>branch</i> in, or carry <i>cross border services</i> into, any <i>EEA State</i> under an <i>EEA right</i>
<del>SUP 13.11.1</del> [FCA] [PRA]	Exercise of passport rights by <i>UK firms</i>	(1) Services or activities carried on from a <i>branch</i> in, or provided <sup>6</sup> cross-border into, another <i>EEA State</i> under an <i>EEA right</i>	Not specified	Five years (for <i>firms</i> passporting under <i>MiFID</i> ) or three years (for other <i>firms</i> ) from earlier of:(1) record being superseded;
		(2) The details relating to those services or activities (as set out in <i>SUP 13.6</i> and <i>SUP 13.7</i> ).		(2) <i>firm</i> ceasing to have any <i>EEA branches</i> or cross-border services.

## TP 1 Transitional provisions

...

TP  
1.2

(1)	(2) Material to which the transitional provision applies	(3)	(4) Transitional provision	(5) Transitional provision: dates in force	(6) Handbook provision: coming into force
...	...	...	...	...	...
10A <u>[FCA only]</u>	SUP 16.4 SUP 16.5	<b>R</b>	SUP 16.4 (Annual controllers report) and SUP 16.5 (Annual close links report) do not apply to a <i>firm</i> with <i>permission</i> to carry on only <i>insurance mediation activity</i> , <i>mortgage mediation activity</i> , or both	(1) in respect of mortgage mediation activities, 31 October 2004 - 31 March 2005; (2) in respect of <i>insurance mediation activities</i> , 14 January 2005 - 31 March 2005,	1 April 2005
14C <u>[FCA only]</u>	SUP 16.10.4	<b>R</b>	A <i>firm</i> whose <i>accounting reference date</i> falls between 1 April 2005 and 30 June 2005 (inclusive) need not comply with SUP 16.10.4R until its <i>accounting reference date</i> in	1 April 2005-30 June 2005	1 April 2005



## Annex F

## Amendments to the Supervision manual (SUP)

Each of the following sections of the Supervision manual is deleted:

SUP 16.12 (Integrated Regulatory Reporting)
SUP 16.16 (Prudent valuation reporting)
SUP 16 Annex 24 (Data items for SUP 16.12)
SUP 16 Annex 25A (Guidance notes for data items in SUP 16 Annex 24 R)
SUP 16 Annex 26 (Guidance on designated liquidity groups in SUP 16.12)
SUP 16 Annex 31A (Prudent Valuation Return)
SUP 16 Annex 31B (Guidance notes for data items in SUP 16 Annex 31A R)

The Supervision manual is amended as follows. New text is underlined and deleted text is struck through.

...			
<b>16.1</b>	<b>Application</b>		
...			
16.1.2	G	The only categories of <i>firm</i> to which no section of this chapter applies are: <del>[deleted]</del>	
		(1)	an <i>ICVC</i> ; <del>[deleted]</del>
		(2)	an <i>incoming EEA firm</i> or <i>incoming Treaty firm</i> , unless it is: <del>[deleted]</del>
		(a)	a <i>firm</i> of a type listed in <i>SUP 16.1.3 R</i> as a type of <i>firm</i> to which <i>SUP 16.6</i> , <i>SUP 16.7A</i> , <i>SUP 16.9</i> , <i>SUP 16.12</i> , or <i>SUP 16.14</i> applies; or <del>[deleted]</del>
		(b)	an <i>insurer</i> with <i>permission to effect or carry out life policies</i> ; <del>[deleted]</del>
		(c)	a <i>firm</i> with <i>permission to establish, operate or wind up a personal pension scheme</i> or a <i>stakeholder pension scheme</i> ; <del>[deleted]</del>
		(3)	a <i>UCITS qualifier</i> ; <del>[deleted]</del>
<u>16.1.2A</u>	<u>G</u>	The only categories of <i>firm</i> to which no section of this chapter applies are:	
		(1)	an <i>ICVC</i> ;

		(2)	<u>an incoming EEA firm or incoming Treaty firm, unless it is:</u>						
		(a)	<u>a firm of a type listed in SUP 16.1.3 R as a type of firm to which SUP 16.6, SUP 16.7A, SUP 16.9, the Regulatory Reporting Part of the PRA Rulebook or SUP 16.14 applies; or</u>						
		(b)	<u>an insurer with permission to effect or carry out life policies;</u>						
		(c)	<u>a firm with permission to establish, operate or wind up a personal pension scheme or a stakeholder pension scheme;</u>						
		(3)	<u>a UCITS qualifier.</u>						
16.1.3	R	Application of different sections of SUP 16 (excluding SUP 16.13, SUP 16.15, SUP 16.16 and SUP 16.17)							
		<table border="1"> <tr> <td>...</td> <td>...</td> <td>...</td> </tr> <tr> <td>SUP 16.12 [FCA only]</td> <td>A firm undertaking the <i>regulated activities</i> as listed in SUP 16.12.4 R, unless exempted in SUP 16.12.1 G</td> <td>Sections as relevant to <i>regulated activities</i> as listed in SUP 16.12.4 R<sup>6</sup></td> </tr> </table>		...	...	...	SUP 16.12 [FCA only]	A firm undertaking the <i>regulated activities</i> as listed in SUP 16.12.4 R, unless exempted in SUP 16.12.1 G	Sections as relevant to <i>regulated activities</i> as listed in SUP 16.12.4 R <sup>6</sup>
...	...	...							
SUP 16.12 [FCA only]	A firm undertaking the <i>regulated activities</i> as listed in SUP 16.12.4 R, unless exempted in SUP 16.12.1 G	Sections as relevant to <i>regulated activities</i> as listed in SUP 16.12.4 R <sup>6</sup>							
<u>16.1.3A</u>	<u>R</u>	<u>The reference to SUP 16.12 in the table above in SUP 16.1.3R in respect of Sections SUP 16.1, SUP 16.2 and SUP 16.3, at (1)(b)(i) must be read as “the Regulatory Reporting Part of the PRA Rulebook”.</u>							
...									
16.3	<b>General provisions on reporting</b>								
16.3.1	G	<del>The effect of SUP 16.1.1R is that this section applies to every firm except:</del> <del>[deleted]</del>							
		(1)	<del>an ICVC; [deleted]</del>						
		(2)	<del>an incoming EEA firm or incoming Treaty firm, unless it is: [deleted]</del>						
		(a)	<del>a firm of a type listed in SUP 16.1.3 R as a firm to which SUP 16.6 or SUP 16.12 applies; [deleted]</del>						
		(b)	<del>an insurer with permission to effect or carry out life policies; [deleted]</del>						
		(3)	<del>a UCITS qualifier. [deleted]</del>						
<u>16.3.1A</u>	<u>G</u>	<u>The effect of SUP 16.1.1R is that this section applies to every firm except:</u>							
		(1)	<u>an ICVC;</u>						

		(2)	<u>an incoming EEA firm or incoming Treaty firm, unless it is:</u>
		(a)	<u>a firm of a type listed in SUP 16.1.3 R as a firm to which SUP 16.6 or the Regulatory Reporting Part of the PRA Rulebook applies;</u>
		(b)	<u>an insurer with permission to effect or carry out life policies;</u>
		(3)	<u>a UCITS qualifier.</u>
		<b>Structure of the chapter</b>	
...			
16.3.2A	G	This chapter has been split into the following sections, covering:	
		...	
		(7)	<del>integrated regulatory reporting (SUP 16.12)[deleted];</del>
...			
		<b>Reports from groups</b>	
16.3.25	G	<del>If this chapter requires the submission of a report or <i>data item</i> covering a <i>group</i>, a single report or <i>data item</i> may be submitted, and so satisfy the requirements of all <i>firms</i> in the <i>group</i>. Such a report or <i>data item</i> should contain the information required from all of them, meet all relevant due dates and indicate all the <i>firms</i> on whose behalf it is submitted; if necessary a separate covering sheet should list the <i>firms</i> on whose behalf a report or <i>data item</i> is submitted. Nevertheless, the requirement to provide a report or <i>data item</i>, and the responsibility for the report or <i>data item</i>, remains with each <i>firm</i> in the <i>group</i>. However, reporting requirements that apply to a <i>firm</i>, by reason of the <i>firm</i> being a member of a <i>financial conglomerate</i>, are imposed on only one member of the <i>financial conglomerate</i> (see, for example, SUP 16.12.32 R). [deleted]</del>	
<u>16.3.25A</u>	<u>G</u>	<u>If this chapter requires the submission of a report or <i>data item</i> covering a <i>group</i>, a single report or <i>data item</i> may be submitted, and so satisfy the requirements of all <i>firms</i> in the <i>group</i>. Such a report or <i>data item</i> should contain the information required from all of them, meet all relevant due dates and indicate all the <i>firms</i> on whose behalf it is submitted; if necessary a separate covering sheet should list the <i>firms</i> on whose behalf a report or <i>data item</i> is submitted. Nevertheless, the requirement to provide a report or <i>data item</i>, and the responsibility for the report or <i>data item</i>, remains with each <i>firm</i> in the <i>group</i>. However, reporting requirements that apply to a <i>firm</i>, by reason of the <i>firm</i> being a member of a <i>financial conglomerate</i>, are imposed on only one member of the <i>financial conglomerate</i>.</u>	
...			
<u>16.3.26A</u>	<u>G</u>	<u>Examples of reports covering a <i>group</i> are:</u>	
		(1)	the compliance reports required from <i>banks</i> under SUP 16.6.4 R;

		(2)	[deleted];
		(3)	[deleted];
		(4)	<del>consolidated financial reports required from banks under SUP 16.12.5 R</del> [deleted];
		(5)	<del>consolidated reporting statements required from securities and futures firms under SUP 16.12.11R</del> [deleted];
		(6)	<del>reporting in relation to defined liquidity groups under SUP 16.4.5 R</del> [deleted];

...

### TP 1 Transitional provisions

...

#### TP 1.2

(1)	(2) Material to which the transitional provision applies	(3)	(4) Transitional provision	(5) Transitional provision: dates in force	(6) Handbook provision: coming into force
...					
12W [PRA]	<del>SUP 16.12.5 R to SUP 16.12.7 R</del> [deleted]	R	If <del>BIPRU TP 30.4 R</del> (Liquidity floor for certain banks) applies to a firm the regulatory intervention point mentioned in that rule is added to the list in paragraph (a) of the definition of <i>firm-specific liquidity stress</i> in the case of that firm for as long as <del>BIPRU TP 30.4 R</del> applies to it. [deleted]	For as long as <del>BIPRU TP 30.4 R</del> applies to the firm [deleted]	At the end of period set out in column (5) [deleted]
12X [FCA]	SUP 16.12.5 R to SUP 16.12.7 R	R	(1) This rule deals with the effect of the abolition of <i>data item</i> FSA044 by the Liquidity Standards (Miscellaneous Amendments) Instrument 2010 and of changes to the definition of <i>DLG by default</i> made by that instrument.	See column 4	See column 4
			(2) The abolition of that <i>data item</i> does not have effect in relation		

				to a <i>firm's</i> reporting period for that <i>data item</i> that has begun but not ended as at 1 January 2011.		
			(3)	The changes to the definition of <i>DLG by default</i> do not have effect in relation to the reporting period of a <i>firm</i> that has begun but not ended as at 1 November 2010.		

...

## Annex G

## Amendments to the General Prudential sourcebook (GENPRU)

In this Annex new text is underlined and deleted text is struck through.

...		
<b>1.3</b>	<b>Valuation</b>	
...		
<b>General requirements: valuation adjustments or, in the case of an insurer or a UK ISPV, valuation adjustments or reserves</b>		
...		
1.3.35	G	<del>Reconciliation differences under GENPRU 1.3.34 R should not be reflected in the valuations under GENPRU 1.3 but should be disclosed to the <i>appropriate regulator</i> in prudential returns. Firms which are subject to the reporting requirement under SUP 16.16 should disclose those reconciliation differences in the Prudent Valuation Return which they are required to submit to the <i>appropriate regulator</i> under SUP 16.16.4 R. [deleted]</del>
1.3.35A	<u>G</u>	<u>Reconciliation differences under <i>GENPRU 1.3.34 R</i> should not be reflected in the valuations under <i>GENPRU 1.3</i> but should be disclosed to the <i>appropriate regulator</i> in prudential returns. Firms which are subject to the reporting requirement under Chapter 13 of the Regulatory Reporting Part of the <i>PRA</i> Rulebook should disclose those reconciliation differences in the Prudent Valuation Return which they are required to submit to the <i>PRA</i> under Chapter 13 of the Regulatory Reporting Part of the <i>PRA</i> Rulebook.</u>
...		
<b>3.1</b>	<b>Application</b>	
...		
3.1.2	G	<del>GENPRU 3.1 implements the <i>Financial Groups Directive</i>. However, material on the following topics is to be found elsewhere in the <i>Handbook</i> as follows: [deleted]</del>
		(1) <del>further material on <i>third-country financial conglomerates</i> can be found in GENPRU 3.2; [deleted]</del>
		(2) <del>SUP 15.9 contains notification <i>rules</i> for members of <i>financial conglomerates</i>; [deleted]</del>
		(3) <del>material on reporting obligations can be found in SUP 16.12.32 R and SUP 16.12.33 R; and [deleted]</del>
		(4) <del>material on systems and controls in <i>financial conglomerates</i> can be found in SYSC 12. [deleted]</del>

3.1.2A	<u>G</u>	<u>GENPRU 3.1 implements the <i>Financial Groups Directive</i>. However, material on the following topics is to be found elsewhere in the <i>Handbook</i> as follows:</u>	
		(1)	<u>further material on <i>third-country financial conglomerates</i> can be found in GENPRU 3.2;</u>
		(2)	<u>SUP 15.9 contains notification <i>rules</i> for members of <i>financial conglomerates</i>;</u>
		(3)	<u>material on reporting obligations can be found in Chapter 12 of the Regulatory Reporting Part of the <i>PRA Rulebook</i>; and</u>
		(4)	<u>material on <i>systems and controls</i> in <i>financial conglomerates</i> can be found in SYSC 12.</u>

## Annex H

## Amendments to the Interim Prudential sourcebook for Insurers (IPRU-INS)

In this Annex new text is underlined and deleted text is struck through.

<b>Volume One: Rules</b>		
...		
<b>Chapter 9: Financial Reporting</b>		
...		
<b>PART V</b>		
<b>Group Capital Adequacy</b>		
...		
9.42D	(1)	An insurer must provide the following information from the report prepared in accordance with <del>SUP 16.12.33R</del> <u>rule 12.3 of the Regulatory Reporting Part of the PRA Rulebook</u> in respect of the financial year in question of the financial conglomerate identified at Stage C of the decision tree in rule 9.42C:
		...



## Annex I

## Amendments to the Credit Unions sourcebook (CREDS)

In this Annex new text is underlined and deleted text is struck through.

...		
<b>5.2</b>	<b>Components of capital</b>	
<u>5.2.1AA</u>	<u>R</u>	<u>In CREDS 5.2.1 R (7) the reference to <i>SUP 16.12.5 R</i> must be read as “rule 7.1 of the Regulatory Reporting Part of the <i>PRA</i> Rulebook” and the reference to CREDS 8.2.3 G must be read as CREDS 8.2.3A G.</u>
...		
<b>8.1</b>	<b>Application and purpose</b>	
...		
8.1.2	G	<del>The purpose of this section is to provide additional <i>rules</i> and <i>guidance</i> relating to reporting requirements that are specific to <i>credit unions</i>. <i>Credit unions</i> also need to comply with the relevant provisions of <i>SUP</i> relating to reporting, including <i>SUP 16.3</i> and <i>SUP 16.12</i>. [deleted]</del>
<u>8.1.2A</u>	<u>G</u>	<u>The purpose of this section is to provide additional <i>rules</i> and <i>guidance</i> relating to reporting requirements that are specific to <i>credit unions</i>. <i>Credit unions</i> also need to comply with the relevant provisions of <i>SUP</i> relating to reporting, including <i>SUP 16.3</i> and the Regulatory Reporting Part of the <i>PRA</i> Rulebook.</u>
<b>8.2</b>	<b>Reporting requirements</b>	
8.2.1	G	<del><i>SUP 16.12.5 R</i> states that a <i>credit union</i> must submit a quarterly return. The content, reporting frequency and due date in relation to that report are shown in <i>CREDS 8.2.2 G</i>. The form can be found at <i>SUP 16 Annex 14(1)R</i>. [deleted]</del>
		<del>[<b>Note:</b> a transitional provision applies to <i>SUP 16.12.5 R</i>: see <i>CREDS TP 1.17</i>.]</del>
		<del>[<b>Note:</b> a transitional provision applies in respect of the form to be used at <i>SUP 16 Annex 14(1)R</i> (see <i>CREDS TP 1.4</i>).]</del>
<u>8.2.1A</u>	<u>G</u>	<u>Rule 7.1 of the Regulatory Reporting Part of the <i>PRA</i> Rulebook requires that a <i>credit union</i> must submit a quarterly return. The content, reporting frequency and due date in relation to that report are shown in <i>CREDS 8.2.2A G</i>. The form can be found in Chapter 16 of the Regulatory Reporting Part of the <i>PRA</i> Rulebook.</u>
...		

8.2.2	G	This table belongs to CREDS 8.2.1 G. <del>[deleted]</del>			
		Content of report	Form	Frequency	Due date
		Key financial data	CQ	Quarterly	One <i>month</i> after quarter end
8.2.2A	G	This table belongs to CREDS 8.2.1A G.			
		Content of report	Form	Frequency	Due date
		Key financial data	CQ	Quarterly	One <i>month</i> after quarter end
...					
8.2.3	G	<del>SUP 16.12.5 R states that a credit union must submit an annual return. The content, reporting frequency and due date in relation to that report are shown in CREDS 8.2.1 G. The form can be found at SUP 16 Annex 14(2)R. [deleted]</del>			
		<del>[Note: transitional provisions apply to the requirements in SUP 16.12.5 R (see -) and in respect of the form to be used at SUP 16 Annex 14(2) R (see -) CREDS TP.]</del>			
		<del>[Note: a transitional provision applies to SUP 16.12.5 R: (see CREDS TP 1.18).]</del>			
8.2.3A	G	Rule 7.1 of the Regulatory Reporting Part of the PRA Rulebook requires that a credit union must submit an annual return. The content, reporting frequency and due date in relation to that report are shown in CREDS 8.2.4A G. The form can be found in Chapter 16 of the Regulatory Reporting Part of the PRA Rulebook.			
8.2.4	G	This table belongs to CREDS 8.2.3 G. <del>[deleted]</del>			
		Content of report	Form	Frequency	Due date
		Extended financial data	CY	Annually	Six <i>months</i> after financial year end
8.2.4A	G	This table belongs to CREDS 8.2.3A G.			
		Content of report	Form	Frequency	Due date
		Extended financial data	CY	Annually	Six <i>months</i> after financial year end
...					
8.2.6	R	(1)	<del>Every credit union must send to the PRA a copy of its audited accounts published in accordance with section 3A of the Friendly and Industrial and Provident Societies Act 1968 or provided in accordance with article 49 of the Credit Unions (Northern Ireland) Order 1985. [deleted]</del>		

		(2)	The accounts must: <del>[deleted]</del>
		(a)	<del>be made up for the period beginning with the date of the <i>credit union's</i> registration or with the date to which the <i>credit union's</i> last annual accounts were made up, whichever is the later, and ending on the <i>credit union's</i> most recent financial year end; and</del> <del>[deleted]</del>
		(b)	<del>accompany the annual return submitted to the <i>PRA</i> under <i>SUP 16.12.5 R</i> (see <i>CREDS 8.2.3 G</i>), unless they have been submitted already</del> <del>[deleted]</del>
<u>8.2.6A</u>	<u>R</u>	(1)	<u>Every <i>credit union</i> must send to the <i>PRA</i> a copy of its audited accounts published in accordance with section 3A of the Friendly and Industrial and Provident Societies Act 1968 or provided in accordance with article 49 of the Credit Unions (Northern Ireland) Order 1985.</u>
		(2)	The accounts must:
		(a)	<u>be made up for the period beginning with the date of the <i>credit union's</i> registration or with the date to which the <i>credit union's</i> last annual accounts were made up, whichever is the later, and ending on the <i>credit union's</i> most recent financial year end; and</u>
		(b)	<u>accompany the annual return submitted to the <i>PRA</i> under rule 7.1 of the Regulatory Reporting Part of the <i>PRA</i> Rulebook (see <i>CREDS 8.2.3A G</i>), unless they have been submitted already</u>
8.2.7	<u>R</u>		<del>Every <i>credit union</i> must supply free of charge, to every member or person interested in the funds of the <i>credit union</i> who applies for it, a copy of the latest audited accounts of the <i>credit union</i> sent to the <i>PRA</i> under <i>CREDS 8.2.6 R</i>.</del> <del>[deleted]</del>
<u>8.2.7A</u>	<u>R</u>		<u>Every <i>credit union</i> must supply free of charge, to every member or person interested in the funds of the <i>credit union</i> who applies for it, a copy of the latest audited accounts of the <i>credit union</i> sent to the <i>PRA</i> under <i>CREDS 8.2.6A R</i>.</u>
8.2.8	<u>G</u>	(1)	<del>Financial penalties may be imposed for the late submission of:</del> <del>[deleted]</del>
		(a)	<del>the quarterly and annual returns referred to in <i>SUP 16.12.5 R</i>;</del> <del>and</del> <del>[deleted]</del>
		(b)	<del>the audited accounts referred to in <i>CREDS 8.2.6 R</i>.</del> <del>[deleted]</del>
		(2)	<del>Details of the policy and procedures on financial penalties are given in <i>DEPP</i>.</del> <del>[deleted]</del>
<u>8.2.8A</u>	<u>G</u>	(1)	<u>Financial penalties may be imposed for the late submission of:</u>
		(a)	<u>the quarterly and annual returns referred to in rule 7.1 of the Regulatory Reporting Part of the <i>PRA</i> Rulebook; and</u>
		(b)	<u>the audited accounts referred to in <i>CREDS 8.2.6A R</i>.</u>

		(2)	Details of the policy and procedures on financial penalties are given in the <i>PRA's 'Statement of Policy: The Prudential Regulation Authority's approach to enforcement: statutory statements of policy and procedure (April 2013)'</i> .		
...					
<b>App 1.1</b>	<b>Key Definitions</b>				
...					
<i>total non-deferred shares</i> [FCA only]	means the total of members' share balances in a <i>credit union</i> shown in the most recent annual return to have been sent to the <i>PRA</i> under <i>SUP 16.12.5 R</i> -(see <i>CREDS 8.2.3 G</i> ), excluding any <i>deferred shares</i> in the <i>credit union</i> .				
<i>total non-deferred shares</i> [PRA only]	means the total of members' share balances in a <i>credit union</i> shown in the most recent annual return to have been sent to the <i>PRA</i> (see <i>CREDS 8.2.3A G</i> ), excluding any <i>deferred shares</i> in the <i>credit union</i> .				
...					
Sch 2.2A G	G	In the above table in Sch 2.2 G, the reference to <i>CREDS 8.2.1 G</i> shall be read as <i>CREDS 8.2.1A G</i> , the reference to <i>CREDS 8.2.3 G</i> shall be read as <i>CREDS 8.2.3A G</i> , and the reference to <i>CREDS 8.2.6 G</i> shall be read as <i>CREDS 8.2.6A G</i> .			
...					
<b>TP 1</b>	<b>Transitional provision</b>				
...					
(1)	(2)	(3)	(4)	(5)	(6)
	Material to which the transitional provision applies		Transitional Provision	Transitional provisions: dates in force	Handbook provisions: coming into force
...					
3 [FCA] [PRA]	<i>SUP 16.12.7 R</i>	R	The change in the applicable due date for the submission by a <i>credit union</i> of an annual return under <i>SUP 16.12.5 R</i> from 7 months to 6 months does not apply to an annual return in respect of the financial year ending on or before 31 July 2012.	31 July 2012	8 January 2012
4 [FCA] [PRA]	<i>SUP 16 Annex 14 R</i>	R	<i>SUP 16 Annex 14 R</i> , as it was in force on 31 December 2011, continues to apply to:	8 January 2012	8 January 2012

			(i) quarterly returns for <i>credit unions</i> in respect of the quarter ending on or before 31 December 2011, and (ii) annual returns in respect of the financial year ending on or before 7 January 2012		
--	--	--	---	--	--

**Annex J**

**Amendments to the Glossary**

In this Annex new text is underlined and deleted text is struck through.

<i>total non-deferred shares</i>	(in <i>CREDS</i> ) means the total of members' share balances in a <i>credit union</i> shown in the most recent annual return to have been sent to the <i>appropriate regulator</i> under <i>SUP 16.7.62 R</i> or <u>Regulatory Reporting 7.1</u> in the <i>PRA Rulebook</i> <del><i>SUP 16.12.5R</i></del> (see <i>CREDS 8.2.3A G</i> ), excluding any <i>deferred shares</i> in the <i>credit union</i> .
----------------------------------	---

**Annex K****Deletions to the PRA Handbook**

Each of the following modules, sourcebooks and sections of the PRA's Handbook is deleted:

COBS 21 (Permitted Links)
MIPRU (Prudential sourcebook for Mortgage and Home Finance Firms, and Insurance Intermediaries)
SUP 11 (Controllers and close links)
SUP 16.4 (Annual controllers report)
SUP 16.5 (Annual Close Links Reports)
SUP 13 (Exercise of passport rights by UK firms)
SUP 13A (Qualifying for authorisation under the Act)
SUP 14 (Incoming EEA firms changing details, and cancelling qualification for authorisation)
SUP 16 Annex 32 (Bidding in emissions auctions return)
SUP App 3 (Guidance on passporting issues)
SYSC 10 (Conflicts of interest)

## Appendix 1.8

### PRA RULEBOOK: GLOSSARY INSTRUMENT (No. 3) 2015

#### **Powers exercised**

- A. The Prudential Regulation Authority (“PRA”) makes this instrument in the exercise of the following powers and related provisions in the Financial Services and Markets Act 2000 (“the Act”):
- (1) section 137G (The PRA’s general rules); and
  - (2) section 137T (General supplementary powers).
- B. The rule-making powers referred to above are specified for the purpose of section 138G(2) (Rule-making instrument) of the Act.

#### **Pre-conditions to making**

- C. In accordance with section 138J of the Act (Consultation by the PRA), the PRA consulted the Financial Conduct Authority. After consulting, the PRA published a draft of proposed rules and had regard to representations made.

#### **PRA Rulebook: Glossary Instrument (No. 3) 2015**

- D. The PRA makes the rules in Annexes A to M of this instrument.

#### **Commencement**

- E. This instrument comes into force on 3 August 2015.

#### **Citation**

- F. This instrument may be cited as the Glossary Instrument (No. 3) 2015.

#### **By order of the Board of the Prudential Regulation Authority**

31 July 2015



**Annex A**

**Amendments to the Glossary**

In the Glossary Part of the PRA Rulebook, insert the following new definitions.

*advising on investments*

means the *regulated activity*, specified in article 53 of the *Regulated Activities Order* (Advising on investments).

*advising on pension transfers and pension opt-outs*

means advising on *investments* in respect of *pension transfers* and *pension opt-outs*.

*agreeing to carry on a regulated activity*

means the *regulated activity*, specified in article 64 of the *Regulated Activities Order* (Agreeing to carry on specified kinds of activity).

*AIF*

means an *alternative investment fund*.

*AIFM*

means *alternative investment fund manager*.

*AIFM investment management functions*

means investment management functions of an *AIFM* as set out in 1(a) (portfolio management) or (b) (risk management) of Annex I to *AIFMD*.

*AIFMD*

means Directive 2011/61/EU of the European Parliament and of the Council of 8 June 2011 on Alternative Investment Fund Managers and amending Directives 2003/41/EC and 2009/65/EC and Regulations (EC) No 1060/2009 and (EU) No 1095/2010.

*alternative investment fund*

has the meaning given in article 4(1)(a) of *AIFMD*.

*alternative investment fund manager*

has the meaning given in article 4(1)(b) of *AIFMD*.

*annual report and accounts*

means

- (1) (in relation to a company incorporated in the *UK*) an annual report and annual accounts as those terms are defined in section 471 of the Companies Act 2006 together with an auditor's report prepared in relation to those accounts under sections 495 to 497A of the same Act;
- (2) (in relation to any other body) any similar or analogous documents which it is required to prepare whether by its constitution or by the law under which it is established.

*arranging (bringing about) deals in investments*

means the *regulated activity* specified in article 25(1) of the *Regulated Activities Order*.

*arranging safeguarding and administration of assets*

that part of *safeguarding and administering investments* which consists solely of arranging for one or more other *persons* to carry on both:

- (a) the safeguarding of assets belonging to another; and
- (b) the administration of those assets.

*Article 12(1) relationship*

means a relationship where undertakings are linked by a relationship within the meaning of Article 12(1) of Directive 83/349 EEC.

*Article 18(5) relationship*

means a relationship where undertaking are linked by participations or capital ties other than those referred to in paragraphs (1) and (2) of Article 18 of the *CRR*.

*commodity future*

has the meaning given in the *PRA Handbook* as at 31 July 2015.

*commodity option*

has the meaning given in the *PRA Handbook* as at 31 July 2015.

*consolidated basis*

has the meaning in article 4(1)(48) of the *CRR*.

*consolidation group*

means the undertakings included in the scope of consolidation pursuant to Articles 18(1), 18(8), 19(1), 19(3) and 23 of the *CRR* and Groups 2.1- 2.3.

*contract of differences*

means the investment specified in article 85 of the *Regulated Activities Order*.

*contractually based investment*

has the meaning provided in Article 3(1) of the *Regulated Activities Order*.

*coordinator*

means, in relation to a *financial conglomerate*, the competent authority appointed as coordinator in accordance with Article 10(1) of the *Financial Groups Directive*.

*core UK group*

means all counterparties that:

- (a) are listed in a *firm's core UK group permission*;
- (b) in relation to a *firm*, satisfy the conditions in Article 113(6) of the *CRR*; and
- (c) in respect of which exposures are exempted, under Article 400(1)(f) of the *CRR*, from the application of Article 395(1) of the *CRR*.

*core UK group permission*

means a permission given by the *PRA* under Article 113(6) of the *CRR*.

*CREDS*

means the Credit Unions sourcebook in the *PRA Handbook* as at 31 July 2015.

*dealing in investments as agent*

means the *regulated activity*, specified in article 21 of the *Regulated Activities Order* (Dealing in investments as agent).

*designated investment*

means a *security* or a *contractually-based investment* (other than a *funeral plan contract* and a right to or interest in a *funeral plan contract*), that is, any of the following *investments*, specified in Part III of the *Regulated Activities Order* (Specified Investments), and a *long-term care insurance contract* which is a *pure protection contract*.

- (1) life policy (subset of article 75 (Contracts of insurance));
- (2) *share*;
- (3) debenture (article 77);
- (4) alternative debenture (article 77A);
- (5) government and public security (article 78);
- (6) instruments giving entitlements to investments (article 79);

- (7) certificate representing certain securities (article 80);
- (8) unit in a collective investment scheme (article 81);
- (9) rights under a *stakeholder pension scheme* (article 82(1))
- (10) rights under a *personal pension scheme* (article 82(2));
- (11) Greenhouse gas allowances which are auctioned (article 82A), where they are a financial instrument.
- (12) *option*; for the purposes of the *permission* regime, this is sub-divided into:
  - (a) *option* (excluding a *commodity option* and an *option* on a *commodity future*);
  - (b) *commodity option* and *option* on a *commodity future*;
- (13) *future*; for the purposes of the *permission* regime, this is sub-divided into:
  - (a) *future* (excluding a *commodity future* and a *rolling spot forex contract*);
  - (b) *commodity future*;
  - (c) *rolling spot forex contract*;
- (14) *contract for differences*; for the purposes of the *permission* regime, this is sub-divided into:
  - (a) contract for differences (excluding a *spread bet* and a *rolling spot forex contract*);
  - (b) *spread bet*;
  - (c) *rolling spot forex contract*;
- (15) rights to or interests in investments in (1) to (14) (article 89) but not including rights to or interests in rights under a *long-term care insurance contract* which is a *pure protection contract*.

*designated investment business*

means any of the following activities, specified in Part II of the *Regulated Activities Order* (Specified Activities), which is carried on by way of business:

- (1) *dealing in investments as principal*, but disregarding the exclusion in article 15 (Absence of holding out etc);
- (2) *dealing in investments as agent* but only in relation to *designated investments*;

- (3) the *regulated activity* of bidding in emissions auctions (article 24A of the *Regulated Activities Order*) where it is carried on by a *MiFID investment firm* (other than a UCITS investment firm, as defined in the *FCA Handbook*) in relation to a *financial instrument*;
- (4) *arranging (bringing about) deals in investments*, but only in relation to *designated investments*;
- (5) *making arrangements with a view to transactions in investments*, but only in relation to *designated investments*;
- (6) *operating a multilateral trading facility*;
- (7) *managing investments*, but only if the assets consist of or include (or may consist of or include) *designated investments*;
- (8) assisting in the administration and performance of a *contract of insurance*, but only if the *contract of insurance* is a *designated investment*;
- (9) *safeguarding and administering investments*, but only if the assets consist of or include (or may consist of or include) *designated investments*; for the purposes of the *permission* regime, this is subdivided into:
  - (a) *safeguarding and administration of assets (without arranging)*;
  - (b) *arranging safeguarding and administration of assets*;
- (10) sending dematerialised instructions (article 45(1));
- (11) causing dematerialised instructions to be sent (article 45(2));
- (12) *establishing, operating or winding up a stakeholder pension scheme*);
- (13) *establishing, operating or winding up a personal pension scheme*;
- (14) providing basic advice on a stakeholder product (article 52B);
- (15) *advising on investments*, but only in relation to *designated investments*; for the purposes of the *permission* regime, this is subdivided into:
  - (a) *advising on investments (except pension transfers and pension opt-outs)*;
  - (b) *advising on pension transfers and pension opt-outs*;
- (16) *agreeing to carry on a regulated activity* in (1) to (11) and (15) (article 64);
- (17) *managing a UCITS*;
- (18) acting as trustee or depositary of a UCITS (article 51ZB);

- (19) *managing an AIF;*
- (20) *acting as trustee or depositary of an AIF (article 51ZD);*
- (21) *establishing, operating or winding up a collective investment scheme.*

*dormant account fund operator*

*a person with a Part 4A permission for operating a dormant account fund.*

*eligible counterparty*

has the meaning given in the *FCA Handbook* as at 31 July 2015 for the purposes other than for the purposes of the part of the *FCA Handbook* (as at 31 July 2015) in High Level Standards that has the title Principles for Businesses.

*establishing, operating or winding up a personal pension scheme*

means the *regulated activity*, specified in article 52(b) of the *Regulated Activities Order* (Establishing etc. a pension scheme).

*establishing, operating or winding-up a collective investment scheme*

means the *regulated activity* specified in article or 51ZE of the *Regulated Activities Order* (Establishing etc a collective investment scheme).

*establishing, operating or winding up a stakeholder pension scheme*

means the *regulated activity*, specified in article 52 (a) of the *Regulated Activities Order* (Establishing etc. a pension scheme).

*financial conglomerate*

has the meaning given in point (14) of Article 2 of the *Financial Groups Directive*.

*Financial Groups Directive*

means Directive 2002/87/EC of the European Parliament and of the Council of 16 December 2002 on the supplementary supervision of credit institutions, insurance undertakings and investment firms in a financial conglomerate.

*funeral plan contract*

means the investment specified in articles 59(2), 60 and 87 of the *Regulated Activities Order*.

*future*

means the investment specified in article 84 of the *Regulated Activities Order*.

*GENPRU*

means the General Prudential sourcebook for Banks, Building Societies, Insurers and Investment Firms in the *PRA Handbook* as at 31 July 2015.

*IMD reinsurance intermediary*

has the meaning given in Article 2(6) of the *Insurance Mediation Directive*.

*investment*

means (in accordance with sections 22(4) of *FSMA* (Regulated activities) and section 93(2) of the Financial Services Act 2012) any investment, including any asset, right or interest.

*life policy*

has the meaning given in the *PRA Handbook* as at 31 July 2015.

*long-term care insurance contract*

a *long-term insurance contract*:

- (a) which provides, would provide at the *policyholder's* option, or is sold or held out as providing, benefits that are payable or provided if the *policyholder's* health deteriorates to the extent that he cannot live independently without assistance and that is not expected to change; and
- (b) under which the benefits are capable of being paid for periodically for all or part of the period that the *policyholder* cannot live without assistance;

where 'benefits' are services, accommodation or goods necessary or desirable for the continuing care of the *policyholder* because he cannot live independently without assistance.

*long-term insurance contract*

means a "contract of long-term insurance" as defined in Article 3(1) of the *Regulated Activities Order*.

*making arrangements with a view to transactions in investments*

means the *regulated activity*, specified in article 25(2) of the *Regulated Activities Order* (Arranging deals in investments).

*managing a UCITS*

means the *regulated activity*, specified in article 51ZA of the *Regulated Activities Order* (Managing a UCITS).

*managing an AIF*

means the *regulated activity*, specified in article 51ZC of the *Regulated Activities Order* (Managing an AIF).

*managing investments*

means the *regulated activity*, specified in article 37 of the *Regulated Activities Order* (Managing investments).

*non-core large exposures group or NCLEG*

has the meaning given in the Large Exposures Part.

*operating a dormant account fund*

means any of the *regulated activities* specified in:

(1) article 63N(1)(a) of the *Regulated Activities Order* (meeting of repayment claims); or

(2) article 63N(1)(b) of the *Regulated Activities Order* (managing dormant account funds (including the investment of such funds)).

*operating a multilateral trading facility*

means the *regulated activity* in article 25D of the *Regulated Activities Order*.

*option*

means the investment specified in article 83 of the *Regulated Activities Order*.

*pension opt-out*

has the meaning given in the *PRA Handbook* as at 31 July 2015.

*pension transfer*

has the meaning given in the *PRA Handbook* as at 31 July 2015.

*personal pension scheme*

has the meaning provided in Article 3(1) of the *Regulated Activities Order*.

*professional client*

has the meaning given in the *FCA Handbook* as at 31 July 2015.

*pure protection contract*

means:

(1) a *long-term insurance contract* in respect of which the following conditions are met:

(a) the benefits under the contract are payable only on death or in respect of incapacity due to injury, sickness or infirmity;

(b) the contract has no surrender value, or the consideration consists of a single premium and the surrender value does not exceed that premium; and



- (c) the contract makes no provision for its conversion or extension in a manner which would result in it ceasing to comply with (a) or (b); or
- (2) a *reinsurance contract* covering all or part of a risk to which a *person* is exposed under a *long-term insurance contract*.

*reinsurance contract*

means a *contract of insurance* covering all or part of a risk to which a *person* is exposed under a *contract of insurance*.

*reinsurance mediation*

has the meaning given in Article 2(4) of the *Insurance Mediation Directive*.

*retail client*

means a *client* who is neither a *professional client* or an *eligible counterparty*.

*rolling spot forex contract*

has the meaning given in the *PRA Handbook* as at 31 July 2015.

*safeguarding and administering investments*

means the *regulated activity*, specified in article 40 of the *Regulated Activities Order* (Safeguarding and administering investments).

*safeguarding and administration of assets (without arranging)*

that part of *safeguarding and administering investments* which consists of both:

- (a) the safeguarding of assets belonging to another; and
- (b) the administration of those assets.

*security*

has the meaning provided in article 3(1) of the *Regulated Activities Order* (Interpretation).

*specified investment*

has the meaning given in the *PRA Handbook* as at 31 July 2015.

*spread bet*

has the meaning given in the *PRA Handbook* as at 31 July 2015.

*stakeholder pension scheme*

*has the meaning provided in Article 3(1) of the Regulated Activities Order.*

*UCITS*

undertakings for collective investment in transferable securities that are established in accordance with the *UCITS Directive*.

*UCITS Directive*

means the European Parliament and Council Directive of 13 July 2009 on the coordination of laws, regulations and administrative provisions relating to undertakings for collective investment in transferable securities (*UCITS*) (No 2009/65/EC) as amended.

Amend the following definitions, where underlining indicates new text and deleted text is struck through.

*branch*

means

- (1) (in relation to a *credit institution*):
  - (a) a place of business which forms a legally dependent part of a *credit institution* and which carries out directly all or some of the transactions inherent in the business of *credit institutions*;
  - (b) for the purposes of the *CRD* and in accordance with Article 38 of the *CRD*, any number of places of business set up in the same *EEA State* by a *credit institution* with headquarters in another *EEA State* are to be regarded as a single branch; ~~or~~
- (2) (in relation to an *investment firm*) has the meaning given in Article 4(1)(26) of *MiFID*.
- (3) (in relation to an *insurance undertaking*) any permanent presence of the *insurance undertaking* in an *EEA State* other than that in which it has its head office is to be regarded as a single *branch*, whether that presence consists of a single office which, or two or more offices each of which:
  - (a) is managed by the *insurance undertaking's* own staff; or
  - (b) is an agency of the *insurance undertaking*; or
  - (c) is managed by a *person* who is independent of the *insurance undertaking*, but has permanent authority to act for the *insurance undertaking* as an agency would.
- (4) (in relation to an *IMD insurance intermediary*):
  - (a) a place of business which is a part of an *IMD insurance intermediary*, not being the principal place of business, which has no separate legal personality and which provides insurance mediation for which the *IMD insurance intermediary* has been registered;

- (b) for the purposes of the *Insurance Mediation Directive*, all the places of business set up in the same *EEA State* by an *IMD insurance intermediary* with headquarters in another *EEA State* are to be regarded as a single *branch*.

(5) (in relation to an *IMD reinsurance intermediary*):

- (a) a place of business which is a part of an *IMD reinsurance intermediary*, not being the principal place of business, which has no separate legal personality and which provides *reinsurance mediation* for which the *IMD reinsurance intermediary* has been registered;
- (b) for the purposes of the *Insurance Mediation Directive*, all the places of business set up in the same *EEA State* by an *IMD reinsurance intermediary* with headquarters in another *EEA State* are to be regarded as a single *branch*.

*Contract of insurance*

- (1) (in relation to a *specified investment*) the *investment*, specified in article 75 of the *Regulated Activities Order* (Contracts of insurance), which is rights under a *contract of insurance* in (2) below.
- (2) (in relation to a *contract*) has the meaning given in Article 3(1) of the *Regulated Activities Order*.

*IMD insurance intermediary*

has the meaning given in article 2(45) of the *Insurance Mediation Directive*.

## Annex B

### Amendments to the Depositor Protection Part

In this Annex deleted text is struck through.

#### 1 APPLICATION AND DEFINITIONS

...

1.4 Unless otherwise stated, in this Part, the following definitions shall apply:

...

~~*personal pension scheme*~~

~~has the meaning given in article 3(1) of the *Regulated Activities Order*.~~

...

~~*stakeholder pension scheme*~~

~~has the meaning given in article 3(1) of the *Regulated Activities Order*.~~

...

## Annex C

### Amendments to the Fundamental Rules Part

In this Annex deleted text is struck through.

#### 1 APPLICATION AND DEFINITIONS

...

1.2 In this Part, the following definitions shall apply:

...

~~cross border services~~

means:

(1) ~~(in relation to a UK firm) services provided within an EEA State other than the UK under the freedom to provide services; and~~

(2) ~~(in relation to an incoming EEA firm or an incoming Treaty firm) services provided within the UK under the freedom to provide services.~~

...

## Annex D

### Amendments to the General Provisions Part

In this Annex deleted text is struck through.

#### 1 APPLICATION AND DEFINITIONS

...

1.2 In this Part, the following definitions shall apply:

...

~~*eligible counterparty*~~

~~has the meaning given in the *FCA Handbook* for the purposes other than for the purposes of the part of the *FCA Handbook* in High Level Standards that has the title Principles for Businesses.~~

...

~~*professional client*~~

~~has the meaning given in the *FCA Handbook*.~~

...

~~*retail client*~~

~~means a *client* who is neither a *professional client* or an *eligible counterparty*.~~

...

## Annex E

### Amendments to the Groups Part

In this Annex deleted text is struck through.

#### 1 APPLICATION AND DEFINITIONS

...

1.2 In this Part, the following definitions shall apply:

*~~Article 12(1) relationship~~*

~~means a relationship where undertakings are linked by a relationship within the meaning of Article 12(1) of Directive 83/349 EEC.~~

*~~Article 18(5) relationship~~*

~~means a relationship where undertaking are linked by participations or capital ties other than those referred to in paragraphs (1) and (2) of Article 18 of the CRR.~~

...

## Annex F

### Amendments to the Internal Capital Adequacy Assessment Part

In this Annex deleted text is struck through.

#### 1 APPLICATION AND DEFINITIONS

...

1.2 In this Part, the following definitions shall apply:

##### *Article 12(1) relationship*

~~means a relationship where undertakings are linked by a relationship within the meaning of Article 12(1) Directive 83/349/EEC.~~

...

##### *consolidation group*

~~means the undertakings included in the scope of consolidation pursuant to Articles 18(1), 18(8), 19(1), 19(3) and 23 of the CRR and Groups 2.1- 2.3.~~

...

##### *financial conglomerate*

~~has the meaning given in point (14) of Article 2 of Directive 2002/87/EC on the supplementary supervision of credit institutions, insurance undertakings and investment firms in a financial conglomerate.~~

...



## Annex G

### Amendments to the Large Exposures Part

In this Annex deleted text is struck through.

#### 1 APPLICATION AND DEFINITIONS

...

1.2 In this Part, the following definitions shall apply:

~~core UK group~~

~~means all counterparties that:~~

~~(a) are listed in a firm's core UK group permission;~~

~~(b) in relation to a firm, satisfy the conditions in Article 113(6) of the CRR; and~~

~~(c) in respect of which exposures are exempted, under Article 400(1)(f) of the CRR, from the application of Article 395(1) of the CRR.~~

...

~~core UK group permission~~

~~means a permission given by the PRA under Article 113(6) of the CRR.~~

...

## Annex H

## Amendments to the Notifications Part

In this Annex deleted text is struck through.

## 1 APPLICATION AND DEFINITIONS

...

1.2 In this Part, the following definitions shall apply:

...

### *branch*

~~(1) (in relation to a *credit institution*) means:~~

~~(a) a place of business which forms a legally dependent part of a *credit institution* and which carries out directly all or some of the transactions inherent in the business of *credit institutions*;~~

~~(b) for the purposes of the *CRD* and in accordance with Article 38 of the *CRD*, any number of places of business set up in the same *EEA State* by a *credit institution* with headquarters in another *EEA State* are to be regarded as a single branch;~~

~~(2) (in relation to an *investment firm*) has the meaning given in Article 4(1)(26) of *MiFID*; and~~

~~(3) (in relation to an *insurance undertaking*) any permanent presence of the *insurance undertaking* in an *EEA State* other than that in which it has its head office is to be regarded as a single *branch*, whether that presence consists of a single office which, or two or more offices each of which:~~

~~(a) is managed by the *insurance undertaking's* own staff; or~~

~~(b) is an agency of the *insurance undertaking*; or~~

~~(c) is managed by a person who is independent of the *insurance undertaking*, but has permanent authority to act for the *insurance undertaking* as an agency would.~~

...

### *consolidation group*

~~means the *undertakings* included in the scope of consolidation pursuant to Articles 18(1), 18(8), 19(1), 19(3) and 23 of the *CRR* and Groups 2.1- 2.3.~~

### *Coordinator*

~~means, in relation to a *financial conglomerate*, the *competent authority* appointed as coordinator in accordance with Article 10(1) of the *Financial Groups Directive*.~~

...

~~*financial conglomerate*~~

~~has the meaning given in point (14) of Article 2 of the *Financial Groups Directive*.~~

~~*Financial Groups Directive*~~

~~means Directive 2002/87/EC of the European Parliament and of the Council of 16 December 2002 on the supplementary supervision of *credit institutions*, *insurance undertakings* and *investment firms* in a *financial conglomerate*.~~

...

## Annex I

### Amendments to the Policyholder Protection Part

In this Annex deleted text is struck through.

#### 1 APPLICATION AND DEFINITIONS

...

1.2 In this Part, the following definitions shall apply:

~~AIF~~

~~means an alternative investment fund.~~

~~AIFM~~

~~means alternative investment fund manager.~~

~~AIFMD~~

~~means Directive 2011/61/EU of the European Parliament and of the Council of 8 June 2011 on Alternative Investment Fund Managers and amending Directives 2003/41/EC and 2009/65/EC and Regulations (EC) No 1060/2009 and (EU) No 1095/2010.~~

~~alternative investment fund~~

~~means (in accordance with article 4(1)(a) of AIFMD) a collective investment undertaking, including investment compartments thereof, which:~~

~~(a) raises capital from a number of investors, with a view to investing it in accordance with a defined investment policy for the benefit of those~~

~~investors; and~~

~~(b) does not require authorisation pursuant to article 5 of the UCITS Directive.~~

~~alternative investment fund manager~~

~~means (in accordance with article 4(1)(b) of AIFMD) a legal person whose regular business is performing AIFM investment management functions for one or more AIF.~~

~~*AIFM investment management functions*~~

~~means investment management functions of an *AIFM* as set out in 1(a) (portfolio management) or (b) (risk management) of Annex I to *AIFMD*.~~

...

~~*investment*~~

~~means (in accordance with sections 22(4) of *FSMA* (Regulated activities) and section 93(2) of the Financial Services Act 2012) any investment, including any asset, right or interest.~~

...

~~*UCITS Directive*~~

~~means the European Parliament and Council Directive of 13 July 2009 on the coordination of laws, regulations and administrative provisions relating to undertakings for collective investment in transferable securities (*UCITS*) (No 2009/65/EC) as amended.~~

## Annex J

### Amendments to the Public Disclosure Part

In this Annex deleted text is struck through.

#### 1 APPLICATION AND DEFINITIONS

...

~~1.2~~ In this Part, the following definitions shall apply:

##### *annual report and accounts*

- ~~(1) (in relation to a company incorporated in the UK) an annual report and annual accounts as those terms are defined in:~~
- ~~(a) section 262(1) of the Companies Act 1985, together with an auditor's report prepared in relation to those accounts under section 235 of the same Act where these provisions are applicable; or~~
  - ~~(b) section 471 of the Companies Act 2006 together with an auditor's report prepared in relation to those accounts under sections 495 to 497 of the same Act;~~
- ~~(2) (in relation to any other body) any similar or analogous documents which it is required to prepare whether by its constitution or by the law under which it is established.~~

## Annex K

### Amendments to the FSCS Management Expenses Levy Limit and Base Costs Part

In this Annex deleted text is struck through.

#### 1 APPLICATION AND DEFINITIONS

...

~~*operating a dormant account fund*~~

~~means any of the *regulated activities* specified in:~~

~~(1) article 63N(1)(a) of the *Regulated Activities Order* (meeting of repayment claims); or~~

~~(2) article 63N(1)(b) of the *Regulated Activities Order* (managing dormant account funds (including the investment of such funds)).~~

## Annex L

### Amendments to the Dormant Account Scheme Part

In this Annex deleted text is struck through.

#### 1 APPLICATION AND DEFINITIONS

...

~~dormant account fund operator~~

~~a person with a Part 4A permission for operating a dormant account fund.~~

...

~~operating a dormant account fund~~

~~means any of the regulated activities specified in:~~

~~(1) article 63N(1)(a) of the Regulated Activities Order (meeting of repayment claims); or~~

~~(2) article 63N(1)(b) of the Regulated Activities Order (managing dormant account funds (including the investment of such funds)).~~



## Annex M

### Amendments to the Management Expenses in Respect of Relevant Schemes Part

In this Annex deleted text is struck through.

#### 1 APPLICATION AND DEFINITIONS

...

~~dormant account fund operator~~

~~a person with a Part 4A permission for operating a dormant account fund.~~

...

~~operating a dormant account fund~~

~~means any of the regulated activities specified in:~~

~~(1) article 63N(1)(a) of the Regulated Activities Order (meeting of repayment claims); or~~

~~(2) article 63N(1)(b) of the Regulated Activities Order (managing dormant account funds (including the investment of such funds)).~~