

**PRA RULEBOOK: CRR FIRMS; NON-CRR FIRMS: THIRD COUNTRY BRANCHES  
(WHISTLEBLOWING) INSTRUMENT 2017**

**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: CRR Firms; Non-CRR Firms: Third Country Branches (Whistleblowing)  
Instrument 2017**

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

**Commencement**

- E. This instrument comes into force on 7 September 2017.

**Citation**

- F. This instrument may be cited as the PRA Rulebook: CRR Firms; Non-CRR Firms: Third Country Branches (Whistleblowing) Instrument 2017.

**By order of the Prudential Regulation Committee**

21 March 2017

Annex A

Amendments to General Organisational Requirements Part

In this Annex, new text is underlined.

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**2A WHISTLEBLOWING**

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2A.7

If

- (1) the firm is a subsidiary of a third country firm; and
- (2) the third country firm also carries on regulated activities from an establishment in the UK;

the firm must provide information to the third country firm in the UK on the channel in 2A.2 and make the channel available to workers in the third country firm's UK establishment.

Part

## GENERAL ORGANISATIONAL REQUIREMENTS

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Externally defined glossary terms:

| <b>Term</b>               | <b>Definition source</b>             |
|---------------------------|--------------------------------------|
| <i>person</i>             | <i>Sch 1 Interpretation Act 1978</i> |
| <i>regulated activity</i> | <i>s22 FSMA</i>                      |
| <i>subsidiary</i>         | <i>s420(2) FSMA</i>                  |

## Annex B

## Amendment to Internal Governance of Third Country Branches Part

In this Annex, new text is underlined.

## 1 APPLICATION AND DEFINITIONS

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1.3 In this Part, the following definitions shall apply:

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protected disclosure

means a qualifying disclosure as defined in section 43B of the Employment Rights Act 1996 made by a worker in accordance with sections 43C to 43H of the Employment Rights Act 1996.

staff disclosure channel

means the arrangements described in General Organisational Requirements 2A.2.

...

worker

has the meaning as defined by section 230(3) of the Employment Rights Act 1996 and as extended under section 43K of the Employment Rights Act 1996.

1.4 In this Part, a reference to a provision of the Employment Rights Act 1996 includes a reference to the corresponding provision of the Employment Rights (Northern Ireland) Order 1996.

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## 2A WHISTLEBLOWING

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2A.1 A firm must inform all workers:

- (1) that they may disclose directly to the PRA or to the FCA anything that would be the subject-matter of a protected disclosure;
- (2) of what would constitute a protected disclosure;
- (3) that the PRA or the FCA are prescribed persons under section 43F of the Employment Rights Act 1996 and the effect of making a protected disclosure to the PRA or to the FCA; and
- (4) of the means available to make a protected disclosure to the PRA or the FCA.

2A.2 If the firm:

- (1) is a member of a group which includes a CRR firm; and
- (2) the CRR firm is subject to General Organisations Requirements 2A;

the firm must inform all its workers in the UK of the CRR firm's staff disclosure channel and explain that the staff disclosure channel is available to them.

Part

## INTERNAL GOVERNANCE OF THIRD COUNTRY BRANCHES

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Externally defined glossary terms

| <b>Term</b>   | <b>Definition source</b>                  |
|---------------|---|
| <i>group</i>  | <i>S 421 FSMA</i>                         |
| <i>person</i> | <i>Schedule 1 Interpretation Act 1978</i> |
| <i>rule</i>   | <i>S417 FSMA</i>                          |

