

PRA RULEBOOK: CRR FIRMS, NON CRR FIRMS, SOLVENCY II FIRMS, NON SOLVENCY II FIRMS: MIFID II AND IDD CONSEQUENTIAL AMENDMENTS 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 60 (Applications for approvals);
 - (2) section 137G (The PRA’s general rules); and
 - (3) 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.

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

Commencement

- E. Annexes A, B and I to this instrument come into force on 3 January 2018.
- F. Annexes C to H to this instrument come into force on 23 February 2018.

Citation

- G. This instrument may be cited as the PRA Rulebook: CRR Firms, Non CRR Firms, Solvency II Firms, Non Solvency II Firms: MIFID II and IDD Consequential Amendments Instrument 2017.

**By order of the Prudential Regulation Committee
4 December 2017**

Annex A

Amendments to the Senior Managers Regime - Applications and Notifications Part

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

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2 APPLICATION TO PERFORM A PRA SENIOR MANAGEMENT FUNCTION

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2.8 The PRA directs that the form submitted for a PRA senior management application by a designated investment firm must be accompanied by the designated additional information.

...

5 CEASING TO PERFORM A PRA SENIOR MANAGEMENT FUNCTION

5.1 (1) A firm must notify the PRA no later than ~~seven~~ ten business days after a person ceases to perform a PRA senior management function, using:

...

Annex B

Amendments to the Fitness and Propriety Part

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

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4 NOTIFIED NON-EXECUTIVE DIRECTORS – NOTIFICATIONS

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- 4.2 A *firm* must notify the *PRA* when a *person* becomes a *notified non-executive director* and shall provide the *PRA* with all of the information needed to assess whether that *person* is fit and proper. The *PRA* directs that when such information is provided by a *designated investment firm*, it must be accompanied by the *designated additional information*.

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Annex C

Amendments to the Senior Managers Regime - Applications and Notifications Part

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

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8 FORMS

- 8.1 (1) Form A (long form) may be found ~~here~~ [here](#).
- (2) Form A (shortened form) may be found ~~here~~ [here](#).

...

Annex D

Amendments to the Change in Control Part

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

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4 ONGOING NOTIFICATION REQUIREMENTS

4.1 A *firm* must notify the PRA as soon as ~~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~~ their *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~~ Solvency II Directive or the ~~Insurance Mediation Directive~~ Insurance Distribution Directive, ceases to be so authorised (registered in the case of an ~~IMD insurance intermediary~~ IDD insurance intermediary).

...

Annex E

Amendments to the Senior Insurance Managers Regime – Applications and Notifications Part

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

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7 FORMS

7.1 (1) Form A (long form) may be found ~~here~~ [here](#).

(2) Form A (shortened form) may be found ~~here~~ [here](#).

...

(6) Form E may be found ~~here~~ [here](#).

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Annex F**Amendments to the Large Non-Solvency II Firms - Senior Insurance Managers Regime –
Applications and Notifications Part**

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

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7 FORMS

7.1 (1) Form A (long form) may be found ~~here~~ [here](#).

(2) Form A (shortened form) may be found ~~here~~ [here](#).

...

(6) Form E may be found ~~here~~ [here](#).

...

Annex G

Amendments to the Non-Solvency II Firms - Senior Insurance Managers Regime – Applications and Notifications Part

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

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7 FORMS

7.1 (1) Form A (long form) may be found ~~here~~ [here](#).

(2) Form A (shortened form) may be found ~~here~~ [here](#).

...

(6) Form E may be found ~~here~~ [here](#).

...

Annex H

Amendments to the Glossary

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

...

branch

means

...

(4) (in relation to an ~~IMD insurance intermediary~~ IDD insurance intermediary):

(a) a place of business which is part of an ~~IMD insurance intermediary~~ IDD insurance intermediary, not being the principal place of business, which has no separate legal personality and which provides ~~insurance mediation~~ insurance distribution for which the ~~IMD insurance intermediary~~ IDD insurance intermediary has been registered;

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

(5) (in relation to an ~~IMD reinsurance intermediary~~ IDD reinsurance intermediary):

(a) a place of business which is part of an ~~IMD reinsurance intermediary~~ IDD reinsurance intermediary, not being the principal place of business, which has no separate legal personality and which provides ~~reinsurance mediation~~ reinsurance distribution for which the ~~IMD reinsurance intermediary~~ IDD reinsurance intermediary has been registered;

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

...

IDD insurance intermediary

has the meaning given in article 2(3) of the *Insurance Distribution Directive*.

IDD reinsurance intermediary

has the meaning given in article 2(5) of the *Insurance Distribution Directive*.

...

~~IMD insurance intermediary~~

has the meaning given in article 2(5) of the *Insurance Mediation Directive*

~~IMD reinsurance intermediary~~

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

...

insurance distribution

has the meaning given in article 2(1) of the *Insurance Distribution Directive*.

Insurance Distribution Directive

means the European Parliament and Council Directive of 20 January 2016 on insurance distribution (No 2016/97/EC).

...

~~Insurance Mediation Directive~~

means the European Parliament and Council Directive of 9 December 2002 on insurance mediation (No 2002/92/EC).

...

reinsurance distribution

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

...

~~reinsurance mediation~~

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

...

Annex I

Amendments to the Glossary

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

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designated additional information

means such information in such form as may be required pursuant to Article 4 of the Commission Delegated Regulation (EU) 2017/143 of 14 July 2016 supplementing MiFID II of the European Parliament and of the Council with regard to regulatory technical standards on information and requirements for the authorisation of investment firms as amended from time to time.

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