

**PRA RULEBOOK: CRR FIRMS: NON-CRR FIRMS: FITNESS AND PROPRIETY AMENDMENT  
INSTRUMENT 2016**

**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 approval);
  - (2) section 60A (vetting of candidate by [relevant] authorised person)
  - (3) section 63F(issuing of certificates)
  - (4) section 137G (the PRA’s general rules); and
  - (5) 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: Non-CRR Firms: Fitness and Propriety Amendment Instrument 2016**

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

**Commencement**

- E. This instrument comes into force on the following dates:

Annexes A to D	7th March 2017
Annex E	29th September 2016

**Citation**

- F. This instrument may be cited as the PRA Rulebook: CRR Firms: Non-CRR Firms: Fitness and Propriety Amendment Instrument 2016.

**By order of the Board of the Prudential Regulation Authority**  
2 September 2016

## Annex A

### Amendments to the Glossary

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

full scope regulatory reference firm

means:

(1) a CRR firm,

(2) a credit union,

(3) a third country CRR firm in relation to the activities of its establishment in the UK,

(4) a UK Solvency II firm,

(5) the Society,

(6) a managing agent,

(7) a third country branch undertaking (other than a Swiss general insurer) in relation to the activities of its establishment in the UK,

(8) a UK ISPV,

(9) a large non-directive insurer.

mandatory disclosure

means an obligation in any applicable laws, regulations or rules to declare or disclose information to the public.

senior management application

means an application to perform a PRA senior management function under section 59 of FSMA.

## **Annex B**

### **Amendments to Fitness and Propriety**

In this Annex, underlining indicates new text and striking through indicates deleted text.

**Part**

# **FITNESS AND PROPRIETY**

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## **Chapter content**

- 1. APPLICATION AND DEFINITIONS**
- 2. FITNESS AND PROPRIETY ASSESSMENTS BY FIRMS**
- 3. CONDUCT STANDARDS**
- 4. NOTIFIED NON-EXECUTIVE DIRECTORS - NOTIFICATIONS**
- 5. REGULATORY REFERENCES**
- 6. FITNESS AND PROPRIETY TRANSITIONAL PROVISIONS**

**Links**

## 1 APPLICATION AND DEFINITIONS

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1.1 Unless otherwise stated, this Part applies to every *firm* that is:

- (1) a *CRR firm*;
- (2) a *credit union*; or
- (3) a *third country CRR firm* in relation to the activities of its establishment in the *UK*.

1.2 The matters referred to in 2 are relevant to the *PRA*'s determination of whether a *person* to whom a *senior management application* relates is fit and proper.

1.3 In this Part, the following definitions shall apply:

...

*disciplinary action*

has the meaning given in section 64C of *FSMA*.

...

*individual conduct requirements*

means

- (1) the Individual Conduct Rules and Senior Manager Conduct Rules in Conduct Rules 2 and 3;
- (2) the Individual Conduct Standards and Senior Insurance Manager Conduct Standards in Insurance – Conduct Standards 3;
- (3) the Individual Conduct Standards and Senior Insurance Manager Conduct Standards in Large Non-Solvency II Firms– Conduct Standards 3;
- (4) COCON, FIT and APER in the *PRA Handbook*;
- (5) COCON in the *FCA Handbook*; and
- (6) APER in the *FCA Handbook*.

....

*regulatory reference template*

means the template in 7.1.

*senior management application*

means an application for the *PRA*'s approval under section 59 of *FSMA*.

## 2 FITNESS AND PROPRIETY ASSESSMENTS BY FIRMS

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- 2.1 A *firm* must not make a *senior management application* in relation to a *person* unless it is satisfied that *person* is fit and proper to perform the *PRA senior management function* to which the application relates.
- 2.2 A *firm* must not issue a *certificate* in relation to a *person* unless it is satisfied that *person* is fit and proper to perform the *certification function* to which the *certificate* relates.
- 2.3 A *firm* must not appoint a person as a *notified non-executive director* or *credit union non-executive director* unless it is satisfied that person is fit and proper to perform that *non-executive director* role.
- 2.4 A *firm* other than a *third country CRR firm* must ensure that each member of its *management body* is at all times fit and proper.

**[Note: Art. 91(1) CRD IV]**

- 2.5 A *third country CRR firm* must ensure that each person who performs a *PRA senior management function* in relation to its *UK establishment* is at all times fit and proper.
- 2.6 In deciding whether a *person* is fit and proper pursuant to 2.1 to 2.5 and, where applicable, section 60A(1) of FSMA, a *firm* must be satisfied that the *person*:
- (a~~1~~) has the personal characteristics (including being of good repute and integrity);
  - (b~~2~~) possesses the level of competence, knowledge and experience;
  - (c~~3~~) has the qualifications; and
  - (d~~4~~) has undergone or is undergoing all training,
- required to enable such *person* to perform his or her function effectively and in accordance with any relevant regulatory requirements, including those under the *regulatory system*, and to enable sound and prudent management of the *firm*.
- 2.7 (1) Before deciding whether a *person* (P) is fit and proper, a *firm* must take reasonable steps to obtain appropriate references covering at least the past 56 years from that persons' current and previous employers the following:
- (a) each FCA-authorized person and PRA-authorized person that is, or was:
    - (i) P's current or former employer; or
    - (ii) an organisation (not falling within (i)) at which P is currently serving, or has served, as a senior manager, senior insurance management function holder or other approved person, non-executive director, notified non-executive director, credit union non-executive director or a key function holder, or performed, or is currently performing, a certification function;
  - (b) P's ~~that person's other~~ current and former employers; and
  - (c) from other organisations at which P ~~that person~~ served as, or is currently, a non-executive director.
- (2) A firm (A) is not required to request references from an employer of P or any organisation referred to in (1) (such employer or organisation, B) where:

- (a) A and B are members of the same *group*; and
- (b) there are adequate arrangements in place under which A has access to all information sources to which B has access to the extent necessary were B giving a reference in accordance with this Part.

If A has access to only some of the information sources in (b), A may ask for a reference that only covers the information to which A does not have access. To the extent that A does not request a reference in the circumstances set out in this (2), A must access and obtain the relevant information.

- (3) A *firm* must take reasonable steps to obtain references
  - (a) in respect of a *senior management application*, no later than one month before the end of the application period set out in section 61 of *FSMA*;
  - (b) where a request by a *firm* for a reference in respect of a *senior management application* to an employer or organisation would require the *firm*, the employer, the organisation or any other *person* to make a *mandatory disclosure* prior to P disclosing to its current employer or organisation, as the case may be, that such application has been made, before the end of the application period set out in in section 61 of *FSMA*; or
  - (c) in respect of the issuing of a certificate under section 63F of *FSMA*, before the certificate is issued.

2.8 (1) Where a *firm* (A) seeks to obtain a reference pursuant to 2.7, A must request that the organisation giving the reference (B) discloses all matters of which B is aware that B reasonably considers to be relevant to the assessment of that *person's* fitness and propriety.

(2) A must also request that, if B is a *full scope regulatory reference firm*, B discloses the information contained in the *regulatory reference template*.

2.89 In deciding whether a *person* (P) is fit and proper in connection with a *senior management application* or on appointment as a *notified non-executive director* or *credit union non-executive director*, a *firm* must:

- (a<sub>1</sub>) obtain P's consent for the *firm* to request the fullest information in relation to P that it is lawfully able to request under the Police Act 1997 (Certificates of Criminal records, etc.) and related subordinated legislation of the *UK* or any part of the *UK*;
- (b<sub>2</sub>) if P has lived or worked outside the *UK* for a material time in the previous five six years, obtain P's consent for the *firm* to request the fullest information in relation to P that it is lawfully able to request under equivalent overseas legislation; and
- (e<sub>3</sub>) request, and have regard to, such information.

2.910 If a *firm* engages a *person* for a continuous period of time it is only required to comply with 2.7 and 2.8 the first time it determines that previously obtained the information in 2.7 to 2.9 when it determined that a *person* was fit and proper for the purposes of this Part in relation to a *senior management function*, *non-executive director function* or *certification function*, and the *firm* engages that *person* for a continuous period of time, the *firm* is not required to comply with 2.7 to 2.9 again in respect of any subsequent appointments at the same *firm* within that continuous period.

### 3 CONDUCT STANDARDS

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- 3.1 A *firm* must contractually require any *PRA approved person*, *notified non-executive director* or *credit union non-executive director* to:
- (a~~1~~) act with integrity;
  - (b~~2~~) act with due skill, care and diligence;
  - (c~~3~~) be open and co-operative with the *FCA*, the *PRA* and other regulators; and
  - (d~~4~~) disclose appropriately any information to the *FCA* or *PRA* of which they would reasonably expect notice.
- 3.2 A *firm* must contractually require any *PRA approved person* to:
- (a~~1~~) take reasonable steps to ensure that the business of the *firm* for which they are responsible is controlled effectively;
  - (b~~2~~) take reasonable steps to ensure that the business of the *firm* for which they are responsible complies with relevant requirements and standards of the *regulatory system*; and
  - (c~~3~~) take reasonable steps to ensure that any delegation of your responsibilities is to an appropriate person and that they oversee the discharge of the delegated responsibility effectively.

### 4 NOTIFIED NON-EXECUTIVE DIRECTORS – NOTIFICATIONS

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- 4.1 This Chapter applies to *CRR firms* only.
- 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.
- 4.3 If the notification referred to in 4.2 is in respect of a *person* who, on becoming a *notified non-executive director*, ceases to perform a *PRA senior management function* or an *FCA designated senior management function*, the *firm* is not required to provide information needed to assess the fitness and propriety of that *person* unless there has been a change in the information provided in respect of that *person* regarding fitness and propriety provided to the *PRA* or the *FCA* at the time the application for the approval for performance of the *PRA senior management function* or the *FCA designated senior management function* was made.
- 4.4 If a *firm* becomes aware of information which would reasonably be material to the assessment of a current or former *notified non-executive director's* fitness and propriety under this Part, it must inform the *PRA* in writing as soon as practicable.
- 4.5 Where a *firm* replaces a *notified non-executive director* because the *firm* considers that person no longer fulfils the requirements of 2.34, the *firm* must notify the *PRA* as soon as reasonably practicable.
- 4.6 Where a *notified non-executive director* assumes a new role with the *firm* or ceases to be a *director* of the *firm*, the *firm* must notify the *PRA* in writing as soon as reasonably practicable.

## 5 REGULATORY REFERENCES

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- 5.1\_ (1) If any *PRA-authorized person* (A):
- (4a) is considering issuing a certificate to, making a *senior management application* in respect of, or appointing as a *senior insurance management function holder*, a *key function holder*, a *non-executive director*, a *notified non-executive director* or a *credit union non-executive director*, a person (P);
  - (2b) makes a request for a reference or other information in respect of P from a *firm* to which this Part applies (B), in B's capacity as:
    - (ai) P's current or former employer; or
    - (ii) an organisation at which P is or was a member of the governing body (not falling within (i)) at which P served as, or is currently, a senior manager, other approved person, non-executive director, notified non-executive director or credit union non-executive director, or performed, or is currently performing, a certification function or any other function; and
  - (3c) indicates to B the purpose of the request;
- B must, as soon as reasonably practicable, provide a reference and disclose to A in the reference all information of which B is aware that is B reasonably considers to be relevant to A's assessment of whether P is fit and proper.
- (2) A firm (B) which is required to make a disclosure under (1) is required to disclose information on or relating to something which occurred or existed:
- (i) in the six years before the request for a reference;
  - (ii) between the date of the request for a reference and the date B gives the reference; or
  - (iii) in the case of serious matters, at any time.
- (3) When giving the reference referred to in 5.1(1), a firm must
- (a) use the regulatory reference template; and
  - (b) include all the information set out in the regulatory reference template.
- (4) A firm may make formatting modifications to the regulatory reference template when giving a reference under 5.1(1), provided the regulatory reference template as modified includes all substantive information required by (3)(b).
- 5.2 (1) If:
- (a) a firm to whom this Part applies (B) has given a reference pursuant to 5.1 to any PRA-authorized person (A) about any person (P); and
  - (b) either

- (i) B is or has become aware of matters or circumstances that mean that, if B was giving that reference now, this Part would require B to draft it differently; or
- (ii) B has reached conclusions of the type described in item (E), or taken disciplinary action of the type described in item (F), of the regulatory reference template, and had B taken or reached those conclusions or actions in the six year period referred to in the regulatory reference template, this Part would require B to draft the reference differently; and
- (c) it would be reasonable to consider the differences in (b) to be significant for an assessment by A of the fitness and propriety of P for the role at A for which the reference was given;

B must make reasonable enquiries as to the identity of P's current employer and (subject to (3)), provide A with details of those differences in writing as soon as reasonably practicable.

- (2) The obligation to update regulatory references applies in the following circumstances:
  - (a) if P is no longer employed by or in the service of B, the obligation to update references in (1) ends six years after P ceased to be employed by, or in the service of B;
  - (b) if P is no longer employed by or in the service of B and the matters or circumstances are not serious matters, B does not have to disclose something if it did not occur or exist in the six year period ending on the date B gave the original reference. This limitation is additional to that in (2) (a).
  - (c) if P is still employed by, or in the service of B, (1), applies throughout the period P remains employed by, or in the service of, B.
- (3) B is not required to update a regulatory reference given to A if:
  - (a) A is no longer a full scope regulatory reference firm;
  - (b) P is no longer employed by, or in the service of, A;
  - (c) P is not yet employed by, or in the service of A, and it is no longer intended that P will be employed or serve at A; or
  - (d) despite making reasonable enquiries under (1) B does not know whether P is still employed by, or in the service of, A.
- (4) (1) does not require B to update references provided prior to 7 March 2017.
- (5) If a firm (B) has given a reference to another firm (A) under 2.7 in respect of a person (P) no more than six years ago and, B asks A if P is still an employee of, or serving at, A, A must answer that question as soon as reasonably possible, even if B does not tell A the reason for the enquiry.

5.3 A firm must not enter into any arrangements or agreements with any person that limit its ability to disclose information under this Part.

5.4 This Part does not require a firm to disclose information that has not been properly verified.

- 5.5 (1) A firm must arrange for orderly records to be kept that are sufficient to enable it to comply with the requirements of this Part in response to any requests for references referred to in that Part in relation to item (E) and item (F) in the *regulatory reference template*.
- (2) A firm does not breach the requirements of this Part by failing to include information in a reference that it would otherwise have to include if:
- (a) the reason for the omission is that the *firm* does not have the necessary records; and
  - (b) neither (1) nor any other requirement of or under the *regulatory system* requires the *firm* to have those records.

## 6 FITNESS AND PROPRIETY TRANSITIONAL PROVISIONS

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- 6.1 The requirement to obtain regulatory references in accordance with 2.7 does not apply to a *firm* in respect of any *person* to the extent that:
- (a) the *firm* is deciding whether the *person* is fit and proper for the purpose of issuing a *certificate to perform a certification function*; and
  - (b) ~~the *person* will be performing a *certification function* from 7 March 2016; and~~
  - (c) immediately prior to 7 March 2017, ~~2016~~, the *person* performed the same *certification function* ~~function~~ for the *firm*.
- 6.2 The requirement to ~~obtain~~ request regulatory references from a *full scope regulatory reference firm* in accordance with ~~the requirements of 2.8(2) 6~~ does not apply to a *firm* in respect of an application for approval as an *approved person* made before 7<sup>th</sup> March 2017, ~~any *person* who has *continued approval*~~
- 6.3 ~~[deleted]~~ The requirements of 2.3, 2.7, 2.89 and 4.2 do not apply to a *director* who, in relation to the *firm*:
- (a) ~~on the 7 March 2016 is a *notified non-executive director* or *credit union non-executive director*; and~~
  - (b) ~~immediately prior to 7 March 2016, was approved as a *non-executive director* or *credit union non-executive director*.~~
- 6.4 A *CRR firm* must notify the *PRA* before 7 March 2016 of any *director* who, in relation to the *firm*, will be a *notified non-executive director* on 7 March 2016 and who immediately prior to 7 March 2016 was approved as a *non-executive director*.
- 6.5 Item (F) in the *regulatory reference template* does not require disclosure of *disciplinary action* that took place before 7<sup>th</sup> March 2016 if the *firm's* records do not show whether the conduct that was subject to *disciplinary action* amounted to a breach of the *individual conduct requirements* referred to in item (F) in the *regulatory reference template*.

## 7 TEMPLATE

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- 7.1 The *regulatory reference template* is the template found [here](#).

## Annex C

## Regulatory Reference Template

In this Annex, all text is new.

## Part One: Form of template

## Regulatory Reference Template for Full Scope Regulatory Reference Firms

**Guide to using this template:**

Each question must be answered. Where there is nothing to disclose, this should be confirmed by ticking the “No” box for the relevant question.

**In this template:**

- “we” / “our firm” refers to the firm or firms giving the reference (as set out in either 1A or 1B below) ;
- “individual” refers to the subject of the reference (as set out in 2 below);
- “your” refers to the firm requesting the reference (as set out in 3 below)

<b>1A</b>	<b>Name, contact details and firm reference number of firm providing reference: or</b>	
<b>1B</b>	<b>Names, contact details and firm reference numbers (where applicable) of group firms providing a joint reference:</b>	
<b>2</b>	<b>Individual’s name (i.e. the subject of the reference)</b>	
<b>3</b>	<b>Name, contact details and firm reference number of firm requesting the reference</b>	
<b>4</b>	<b>Date of request for reference</b>	

<b>5</b>	<b>Date of reference</b>	
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**The answers to Questions A to F cover the period beginning six years before the date of your request for a reference and ending on the date of this reference**

Question A

Has the individual:

- (1) performed a specified significant-harm function for our firm; or
- (2) been an approved person for our firm;

Answer:

Yes	
No	

Question B:

Has the individual performed one or more of the following roles in relation to our firm:

- (1) notified non-executive director;
- (2) credit union non-executive director; or
- (3) key function holder (other than a controlled function);

Answer:

Yes	
No	

Question C:

If we have answered 'yes' to either Question A or B above, we set out the details of each position held below, including:

- (1) what the controlled function, specified significant-harm function, or key function holder role is or was;
- (2) (in the case of a controlled function) whether the approval is or was subject to a condition, suspension, limitation, restriction or time limit;
- (3) whether any potential FCA governing function is or was included in a PRA controlled function; and
- (4) the dates during which the individual held the position.

Answer:

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Question D

Has the individual performed a role for our firm other than the roles referred to in Question A and B above:

Answer:

Yes	
No	

If 'yes', we have provided summary details of the other role(s), e.g. job title, department and business unit, below.

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Question E

Have we concluded that the individual was not fit and proper to perform a function:

Answer:

Yes	
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No	
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If 'yes' and associated disciplinary action was taken as a result, please refer to Question F below

If 'yes', and no associated disciplinary action was taken as a result, we have set out below the facts which led to our conclusion.

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### Question F

We have taken disciplinary action against the individual that:

(1) relates to an action, failure to act, or circumstances, that amounts to a breach of any individual conduct requirements that:

(a) apply or applied to the individual; or

(b) (if the individual is or was a key function holder, a notified non-executive director or a credit union non-executive director for your firm) the individual is or was required to observe under *PRA* rules (including if applicable, *PRA* rules in force before 7th March 2016); or

(2) relates to the individual not being fit and proper to perform a function.

Answer:

Yes	
No	

If 'yes', we have provided below a description of the breaches (including dates of when they occurred) and the basis for, and outcome of, the subsequent disciplinary action.

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Question G

Are we aware of any other information that we reasonably consider to be relevant to your assessment of whether the individual is fit and proper? This disclosure is made on the basis that we shall only disclose something that:

(1) occurred or existed:

(a) in the six years before your request for a reference; or

(b) between the date of your request for the reference and the date of this reference;  
or

(2) is serious misconduct.

Answer:

Yes	
No	

If 'yes', we have provided the relevant information below.

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## Part Two: Terms and Phrases

### MEANING OF CERTAIN TERMS AND PHRASES IN THE REGULATORY REFERENCES TEMPLATE

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1. B refers to the *person* giving the reference under:
  - (a) Fitness and Propriety 5.1;
  - (b) Insurance - Fitness and Propriety 3.1; or
  - (c) Large Non-Solvency II Firms - Fitness and Propriety 3.1.
  
2. P refers to the *person* about whom the reference is given.
  
3. A finding or conclusion by B that P was not fit and proper to perform a function (see items (E) to (F) of the template) means a finding or conclusion by B in the following circumstances:
  - (a) B assesses the continuing fitness and propriety of P as an *approved person* in accordance with the requirements of the *regulatory system*, including when carrying out this assessment under section 63(2A) of the *Act* (annual assessment of *approved persons* by a *relevant authorised person*);
  - (b) B assesses the on-going fitness and propriety of P to perform a *key function* in accordance with Insurance – Fitness and Propriety 2 or Large Non-Solvency II Firms – Fitness and Propriety 2; or
  - (c) B assesses the fitness and propriety of P when B is proposing to issue a certificate under section 63F of the *Act* (Certification of employees by relevant authorised persons) for P.

Paragraph (c) applies whether the certificate is being issued for the first time or is being renewed.
  
4.
  - (1) “Approved person”, “controlled function”, “credit union non-executive director”, “notified non-executive director”, “key function holder” have the meaning specified in Glossary.
  - (2) “Individual conduct requirements” and “disciplinary action” have the meaning given in
    - (a) Fitness and Propriety 1.3; or
    - (b) Insurance- Fitness and Propriety 1.2; or
    - (c) Large Non-Solvency II Firms: Fitness and Propriety 1.2
 as applicable.
  - (3) “PRA controlled function” and “specified significant-harm function” have the meaning given in the *FCA Handbook*.
  
5. A function means a function as
  - (a) an *approved person*,

- (b) a *certification employee*; or
- (c) a *key function holder* at an *insurer*,

as appropriate.

6. “Potential FCA governing function” means a function:

- (a) that would have been an *FCA controlled function* but for:
  - (i) SUP 10A.11 of the *FCA Handbook*; or
  - (ii) SUP 10C.9 of the *FCA Handbook*; and
- (b) instead is included as a *controlled function* under:
  - (i) Senior Management Functions 2;
  - (ii) Insurance - Senior Insurance Management Functions 2;
  - (iii) Large Non-Solvency II Firms - Senior Insurance Management Functions 2
  - (iv) Senior Insurance Managers Regime - Transitional Provisions 6; or
  - (v) Large Non- Solvency II Firms - Senior Insurance Managers Regime - Transitional Provisions 6.

#### ITEMS OF TEMPLATE FOR WHICH ADDITIONAL REQUIREMENTS APPLY

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1. If the finding or disciplinary action:

- (a) was reached or taken by another member of B’s *group* with the authority to do so; and
- (b) relates to conduct by P relating to the carrying on of activities (whether or not *regulated activities*) by B;

Item (E) and (F) of the template apply to such finding or disciplinary action in the same way as it does to findings or disciplinary action made or taken by the *firm* itself.

2. Item (F) of the template is subject to:

- (a) Fitness and Propriety 5.5(2);
- (b) Insurance - Fitness and Propriety 3.5(2); or
- (c) Large Non-Solvency II Firms –Fitness and Propriety 3.5(2)

as applicable.

3. The template to be used by a *firm* in giving a reference includes everything in Part One of this Annex except for the “Guide to using this template” paragraph.

## Annex D

### Forms

In this Annex, underlining indicates new text.

#### Long Form A: Application to perform senior management functions

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The *FCA* and *PRA* have produced notes which will assist both the *applicant* and the *candidate* in answering the questions in this form. Please read these notes, which are available on both *FCA* and *PRA* websites at:

<http://fshandbook.info/FS/html/FCA/SUP/10C/Annex2D.html>

<http://www.bankofengland.co.uk/PRA>

Both the applicant and the *candidate* will be treated by the *FCA* and *PRA* as having taken these notes into consideration when completing this form.

#### Long Form A – UK Relevant Authorised Persons and Third Country Relevant Authorised Persons only

##### Application to perform senior management functions

*FCA Handbook* Reference: SUP 10C Annex 2D

*PRA Rulebook* Reference: Senior Managers Regime - Applications and Notifications

7 March ~~2016~~ 2017

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#### Fitness and Propriety

#### Section 5

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##### 5.05 Other Matters

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**5.05.4** Has / Have a reference or references been obtained from current or previous employer(s) in accordance with the requirements of the *FCA* or *PRA*?

If No, please provide details why the reference or references has/have not been obtained.

YES  NO

Please note that a firm is required to use reasonable steps to obtain an appropriate reference from any current or previous employer of the candidate during the last 6 years (see SYSC 22 and Fitness and Propriety 2 in the PRA Rulebook). Employer has an extended meaning for these purposes.

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## Short Form A: Application to perform senior management functions

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The *FCA* and *PRA* have produced notes which will assist both the *applicant* and the *candidate* in answering the questions in this form. Please read these notes, which are available on both *FCA* and *PRA* websites at:

<http://fshandbook.info/FS/html/FCA/SUP/10C/Annex2D.html>

<http://www.bankofengland.co.uk/PRA>

Both the applicant and the *candidate* will be treated by the *FCA* and *PRA* as having taken these notes into consideration when completing this form.

## Short Form A – UK Relevant Authorised Persons and Third Country Relevant Authorised Persons only

### Application to perform senior management functions

*FCA Handbook* Reference: SUP 10C Annex 2D

*PRA Rulebook* Reference: Senior Managers Regime - Applications and Notifications

7 March ~~2016~~ 2017

...

## Fitness and Propriety

## Section 5

This section has largely been removed. However if there has been a change to the detail in this section since your last approval, you must submit a Long Form A as opposed to a Short Form A informing the *FCA* and/or *PRA* of the revised detail.

- 5.1 Has / Have a reference or references been obtained from current or previous employer(s) in accordance with the requirements of the *FCA* or *PRA*?  
If No, please provide details why the reference or references has/have not been obtained.

YES  NO

Please note that a firm is required to use reasonable steps to obtain an appropriate reference from any current or previous employer of the candidate during the last 6 years (see SYSC 22 and Fitness and Propriety 2 in the *PRA Rulebook*). Employer has an extended meaning for these purposes.

...



I have supplied further information related to this page in Section 6

YES  NO

## Form E: Internal transfer of an approved person (for firms and individuals subject to the senior management regime)

...

The *FCA* and *PRA* have produced notes which will assist both the *applicant* and the *candidate* in answering the questions in this form. Please read these notes, which are available on both *FCA* and *PRA* websites at:

<http://fshandbook.info/FS/html/FCA/SUP/10A/Annex8>

[www.bankofengland.co.uk/PRA](http://www.bankofengland.co.uk/PRA).

Both the applicant and the candidate will be treated by the *FCA* and *PRA* as having taken these notes into consideration when completing this form.

## Form E Internal transfer of an approved person (for firms and individuals subject to the senior management regime)

*FCA Handbook* Reference: SUP 10C Annex 3D

*PRA Rulebook* Reference: Senior Managers Regime - Applications and Notifications

7 March ~~2016~~ 2017

...

### Senior management functions

### Section 4

...



I have supplied further information related to this page in Section 5

YES  NO

**4.05** Has / Have a reference or references been obtained from current or previous employer(s) in accordance with the requirements of the *FCA* or *PRA*?  
If No, please provide details why the reference or references has/have not been obtained.

YES  NO

*Please note that a firm is required to use reasonable steps to obtain an appropriate reference from any current or previous employer of the candidate during the last 6 years (see SYSC 22 and Fitness and Propriety 2 in the *PRA Rulebook*). Employer has an extended meaning for these purposes.*

...

## **Annex E**

### **Amendments to Allocation of Responsibilities**

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

**Part**

# **ALLOCATION OF RESPONSIBILITIES**

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## **Chapter content**

- 1. APPLICATION AND DEFINITIONS**
- 2. STATEMENT OF RESPONSIBILITIES**
- 3. ALLOCATION OF RESPONSIBILITIES**
- 4. PRESCRIBED RESPONSIBILITIES**
- 5. PRESCRIBED RESPONSIBILITIES: SMALL FIRMS**
- 6. PRESCRIBED RESPONSIBILITIES: UK BRANCHES**
- 7. RECORDS**
- 8. CHAIRMAN'S OFFICE**

**Links**

## 1 APPLICATION AND DEFINITIONS

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...

1.2 In this Part, the following definition[s] shall apply:

*certification regime*

means the requirements of the *regulatory system* which apply to *relevant authorised persons* insofar as they relate to *persons performing certification functions* including those set out in Certification and Fitness and Propriety and the corresponding *FCA requirements in SYSC 5.2 and FIT of the FCA Handbook* .

*certification rules*

means the rules set out in Certification [of Employees].

...

*senior management regime*

means the requirements of the *regulatory system* which apply to *relevant authorised persons* insofar as they relate to *approved persons performing PRA senior management functions* and *FCA designated senior management functions*, including those set out in Senior Management Functions, and Allocation of Responsibilities and Fitness and Propriety.

....

## 4 PRESCRIBED RESPONSIBILITIES

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4.1 Each of the responsibilities set out in this rule is a *prescribed responsibility*:

...

- (2) responsibility for the *firm's* performance of its obligations under the *certification regime rules*;

.....

## 6 PRESCRIBED RESPONSIBILITIES: UK BRANCHES

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...

6.2 Each of the responsibilities set out in this rule is a *UK branch prescribed responsibility*:

...

- (2) responsibility for the *firm's* performance of its obligations under the *certification regime rules*;

...