

Appendix 1

Appendix 1: Draft PRA RULEBOOK: CRR FIRMS, NON-CRR FIRMS, SOLVENCY II FIRMS, NON-SOLVENCY II FIRMS: SENIOR MANAGERS REGIME AMENDMENT (NO. 2) INSTRUMENT [DATE]

PRA RULEBOOK: CRR FIRMS, NON-CRR FIRMS, SOLVENCY II FIRMS, NON-SOLVENCY II FIRMS: SENIOR MANAGERS REGIME AMENDMENT (NO. 2) INSTRUMENT [DATE]

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 60A (Vetting of candidates by authorised persons);
 - (3) section 61 (Determination of applications);
 - (4) section 64A (Rules of conduct);
 - (5) section 64C (Requirement for authorised persons to notify regulator of disciplinary action);
 - (6) section 137G (The PRA’s general rules); and
 - (7) 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, Solvency II Firms, Non-Solvency II Firms: Senior Managers Regime Amendment (No. 2) Instrument [DATE]

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

Part	Annex
Allocation of Responsibilities Part	A
Audit Committee Part	B
Fitness and Propriety Part	C
Notifications Part	D
Remuneration Part	E
Ring-fenced Bodies Part	F
Senior Management Functions Part	G
Senior Managers Regime – Applications and Notifications Part	H
Senior Managers Regime – Transitional Provisions Part	I
Group Supervision Part	J
Insurance – Allocation of Responsibilities Part	K
Insurance – Conduct Standards Part	L
Insurance – Fitness and Propriety Part	M
Senior Insurance Management Functions Part	N
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Senior Insurance Managers Regime – Applications and Notifications Part	P
Transitional Measures Part	Q
Insurance Company – Reporting Part	R
Large Non-Solvency II Firms - Allocation of Responsibilities Part	S
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Large non-Solvency II Firms – Key Function Holder – Notifications Part	V
Large non-Solvency II Firms – Senior Insurance Management Functions Part	W
Large non-Solvency II Firms – Senior Insurance Managers Regime – Applications and Notifications Part	X
Non-Solvency II Firms – Allocation of Responsibilities Part	Y
Non-Solvency II Firms – Conduct Standards Part	Z
Non-Solvency II Firms – Fitness and Propriety Part	AA
Non-Solvency II Firms – Governance Part	AB
Non-solvency II Firms - Run-off Firms Part	AC
Non-Solvency II Firms – Senior Insurance Management Functions	AD
Non-Solvency II Firms – Senior Insurance Managers Regime – Applications and Notifications Part	AE
Glossary	AF
Glossary	AG

Commencement

- E. Annexes F and AG come into force on [DATE].
- F. Annexes A to E and Annexes G to AF come into force on [DATE].

Deletion

- G. The Senior Managers Regime – Transitional Provisions Part of the PRA Rulebook for CRR Firms and Non-CRR Firms will be deleted on [DATE].

Citation

- H. This instrument may be cited as the PRA Rulebook: CRR Firms, Non-CRR Firms, Solvency II Firms, Non-Solvency II Firms: Senior Managers Regime Amendment (No. 2) Instrument [DATE].

By order of the Prudential Regulation Committee
[DATE]

Annex A

Amendments to the Allocation of Responsibilities Part

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

1 APPLICATION AND DEFINITIONS

...

1.2 In this Part, the following definitions shall apply:

...

FCA Chairman of nomination committee function

means an *FCA controlled function* specified in SUP 10C.5.2R of the *FCA Handbook*.

...

3 ALLOCATION OF RESPONSIBILITIES

...

3.2 (1) A *firm* (other than a *small CRR firm*, a *credit union* or a *third country CRR firm*) must allocate each of the *prescribed responsibilities* in 4.1(13) to (19) to one or more persons who perform:

(a) an *oversight PRA senior management function*; or

~~(e)~~(b) the *FCA Chairman of nomination committee function*

on behalf of the *firm*.

...

4 PRESCRIBED RESPONSIBILITIES

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

...

(4) responsibility for the *firm's* performance of its obligations under Fitness and Propriety in respect of ~~its~~ *notified non-executive directors*;

...

8 CHAIRMAN'S OF THE GOVERNING BODY'S OFFICE

8.1 A *firm* (other than a *third country CRR firm*) must ensure that the office of the *Chairman of the Governing Body function* has resources that are adequate as to both quality and quantity to enable it to fulfil its role within the *firm*.

Annex B

Amendments to the Audit Committee Part

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

...

2 AUDIT COMMITTEE

...

2.2 The criteria referred to in 2.1 are:

...

(5) a majority of the members, including the ~~chairman~~, of the *audit committee* of a *firm* must be independent of the firm provided that:

...

(7) the ~~chairman~~ of the *audit committee* must be appointed by its members and must be independent of the *firm*.

...

4 TRANSITIONAL PROVISIONS

4.1 2.2 (6) shall not apply until the commencement of a *firm's* financial year beginning on or after 17 June 2018 provided that a majority of the members, including the ~~chairman~~, of the *audit committee* of a significant *firm* are independent of the *firm*.

...

Annex C

Amendments to the Fitness and Propriety Part

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

1 APPLICATION AND DEFINITIONS

...

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

1.3 In this Part, the following definitions shall apply:

...

~~continued approval~~

~~has the meaning in Senior Managers Regime—Transitional Provisions 1.2.~~

~~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) FIT and APER in the PRA Handbook;~~

~~(5) COCON in the FCA Handbook; and~~

~~(6) APER in the FCA Handbook.~~

...

2 FITNESS AND PROPRIETY ASSESSMENTS BY FIRMS

2.1 A firm must not make a *PRA senior management approval 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.

...

- (3) A firm must take reasonable steps to obtain references
- (a) in respect of a *PRA senior management approval 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 *PRA senior management approval 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 section 61 of *FSMA*; or

...

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

...

5 REGULATORY REFERENCES

- 5.1 (1) If any *PRA-authorised person* (A):
- (a) is considering issuing a certificate to, making a *PRA senior management approval 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);

...

Annex D

Amendments to the Notifications Part

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

1 APPLICATION AND DEFINITIONS

...

1.2 In this Part, the following definitions shall apply:

...

~~disciplinary action~~

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

...

4 NOTIFIED PERSONS

- 4.1 (1) An *overseas firm*, which is not an *incoming firm*, must notify the *PRA* within 30 *business days* of any *person* taking up or ceasing to hold the following positions:
- (a) the *firm's* worldwide chief executive (that is, the *person* who, alone or jointly with one or more others, is responsible under the immediate authority of the *directors* for the whole of its business) if the *person* is based outside the *UK*;
 - (b) the *person* within the *overseas firm* with a purely strategic responsibility for *UK* operations;
 - (c) for a *bank*: the two or more *persons* who effectively direct its business; or
 - (d) for an *insurer*: the *authorised UK representative*.
- (2) The notification in (1) ~~must be submitted in the form referred to in 10.1 (Form F).~~ However, if the *person* is an *approved person*, notification must include, as a minimum, the *person's* giving details of their name, the *approved person's* individual reference number and the position to which the notification relates, is sufficient and, if the *person* is an *approved person*, the *approved person's* individual reference number.
- 4.2 (1) ~~A *firm* other than a *credit union* must submit the form referred to in 10.1 online using the *ONA system*.~~
- (2) ~~Where a *firm* is obliged to submit an application online under (1), if the *ONA system* fails and online submission is unavailable for 24 hours or more, until such time as facilities for online submission are restored:~~
- (a) ~~a *firm* must submit the form in the way set out in 7.4 to 7.6; and~~
 - (b) ~~the *rules* in relation to non-compliance with *rules* by a *firm* in the case of an emergency do not apply. [deleted]~~

...

10 FORMS

10.1 Form F can be found ~~here~~. [\[deleted\]](#)

...

11 CONDUCT RULES: NOTIFICATIONS

...

11.4 If a *firm* is required to notify the *PRA* under 11.2 in respect of a *person* performing a *PRA senior management function*, it must do so within seven business days of the point at which it determined the relevant requirement applied, by submitting:

...

(2) if the *firm* is of a type in paragraph 11.1(d), 11.1(e), 11.1(f), 11.1(g) or 11.1(h) (other than a *Swiss general insurer*) and the circumstances set out in Solvency II Firms - Senior ~~Insurance~~ Managers Regime – Applications and Notifications 4.2(2) apply, Form C;

(3) the *firm* is a *large non-directive insurer* or a *Swiss general insurer* and the circumstances set out in Large Non-Solvency II Firms - Senior ~~Insurance~~ Managers Regime – Applications and Notifications 4.2(2) apply, Form C;

(4) if the *firm* is a *small non-directive insurer* and the circumstances set out in Non-Solvency II Firms - Senior ~~Insurance~~ Managers Regime – Applications and Notifications 4.2(2) apply, Form C;

...

11.5 If a *firm* becomes aware of information which would reasonably be material to the assessment of the fitness and propriety of a *PRA approved person*, or a *person* in respect of whom an application for approval to perform a *PRA senior management function* has been made, it must inform the *PRA* on Form D, or (if it is more practical to do so and with the prior agreement of the *PRA*) by fax or e-mail, as soon as practicable.

...

11.9 (1) Form C may be found ~~here~~ [here](#).

(2) Form D may be found ~~here~~ [here](#).

(3) Form L may be found ~~here~~ [here](#).

...

Annex E

Amendments to the Remuneration Part

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

...

7 GOVERNANCE

...

7.4 A *firm* that is significant in terms of its size, internal organisation and the nature, scope and complexity of its activities must establish a *remuneration* committee, and ensure that the committee:

...

(2) comprises a ~~chairman~~ and members who are members of the *management body* who do not perform any executive function in the *firm*;

...

Annex F

Amendments to the Ring-fenced Bodies Part

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

...

4 BOARD COMPOSITION AND MEMBERSHIP

...

4.3 A *ring-fenced body* must ensure that the *person* performing the ~~Chairman~~ of the Governing Body function:

- (1) is an independent *non-executive director*, and
- (2) does not chair the *governing body* of any other member of the *ring-fenced body's group*, other than a *ring-fenced affiliate*.

...

4.6 4.5 does not apply if an *extraordinary vacancy* arises in the office held by the *person* performing the ~~Chairman~~ of the Governing Body function of a *ring-fenced body*.

...

5 RISK MANAGEMENT

5.1 A *ring-fenced body* must ensure that its risk committee includes a *person* performing the ~~Chairman~~ of Risk Committee function.

5.2 A *ring-fenced body* must ensure that the *person* performing the ~~Chairman~~ of Risk Committee function does not chair any committee whose functions include oversight of the risk function of any other member of the *ring-fenced body's group*, other than a *ring-fenced affiliate*.

...

6 INTERNAL AUDIT POLICY

6.1 A *ring-fenced body* must ensure that its *audit committee* includes a *person* performing the ~~Chairman~~ of Audit Committee function.

6.2 A *ring-fenced body* must ensure that the *person* performing the ~~Chairman~~ of Audit Committee function does not chair any committee whose functions include oversight of the audit function of any other member of the *ring-fenced body's group*, other than a *ring-fenced affiliate*.

...

8 REMUNERATION POLICY

...

8.2 A *ring-fenced body* must ensure that its *remuneration committee* includes a *person* performing the ~~Chairman~~ of Remuneration Committee function.

8.3 A *ring-fenced body* must ensure that the *person* performing the *Chairman of Remuneration Committee function* does not chair any committee whose functions include *remuneration* for any other member of the *ring-fenced body's group*, other than for a *ring-fenced affiliate*.

...

Annex G

Amendments to the Senior Management Functions Part

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

...

2 GENERAL

...

2.2 (1) A *firm* (other than a *credit union* or a *third country CRR firm*) must ensure that one or more *person* performs each of the following *PRA senior management functions* on its behalf:

...

(c) the ~~Chairman~~ of the Governing Body function.

...

4 OVERSIGHT

...

4.2 The ~~Chairman~~ of the Governing Body function (SMF9) is the function of having responsibility for chairing, and overseeing the performance of the role of, the *governing body* of a *firm*.

4.3 The ~~Chairman~~ of Risk Committee function (SMF10) is the function of having responsibility for chairing, and overseeing the performance of any committee responsible for the oversight of the risk management systems, policies and procedures of a *firm* specified in Risk Control 2, including where applicable to the *firm*, a committee established in accordance with Risk Control 3.1.

4.4 The ~~Chairman~~ of Audit Committee function (SMF11) is the function of having responsibility for chairing, and overseeing the performance of any committee responsible for the oversight of the internal audit system of a *firm* specified in Compliance and Internal Audit 2.

4.5 The ~~Chairman~~ of Remuneration Committee function (SMF12) is the function of having responsibility for chairing, and overseeing the performance of any committee responsible for the oversight of the design and the implementation of the remuneration policies of a *firm*, including where applicable to the *firm*, a committee established in accordance with Remuneration 7.4.

4.6 The *Senior Independent Director function* (SMF14) is the function of performing the role of a senior independent *director*, and having particular responsibility for leading the assessment of the performance of the *person* performing the ~~Chairman~~ of the Governing Body function.

...

8 COMBINATION OF SENIOR MANAGEMENT FUNCTIONS

...

- 8.2 A *firm* must ensure that a *person* who performs the *Chairman of the Governing Body* function on its behalf does not simultaneously perform the *Chief Executive* function within the same *firm*.

Annex H

Amendments to the Senior Managers Regime – Applications and Notifications Part

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

1 APPLICATION AND DEFINITIONS

...

1.2 In this Part, the following definitions shall apply:

...

current approved person approval

means

- (1) an approval granted to a *person* under section 59 of *FSMA* (Approval for particular arrangements):
 - (a) by the *PRA* for the performance of a *PRA senior management function*; or
 - (b) by the *FCA* for the performance of an *FCA designated senior management function* or a *similar influence function*;
- (2) a deemed approval given by: ~~either~~
 - (a) the *PRA* following the submission of a *conversion grandfathering notification* under Senior Managers Regime (Transitional Provisions); or
 - (b) ~~by the~~ *FCA* under any equivalent process contained in rules in the *FCA Handbook*; or

...

~~*grandfathering notification*~~

~~has the meaning given in Senior Managers Regime – Transitional Provisions.~~

...

2 APPLICATION TO PERFORM A PRA SENIOR MANAGEMENT FUNCTION

...

2.7 (1) The *PRA* directs that the form submitted for a *PRA senior management approval application* must be accompanied by a *statement of responsibilities* in accordance with *Allocation of Responsibilities 2.1*.

- (2) A *statement of responsibilities* must be in the form set out here:
 - (a) ~~for a *third country CRR firm*, in the form set out here; and~~
 - (b) ~~for all other *firms*, in the form set out here.~~

...

8 FORMS

- 8.1 (1) Form A (long form) may be found ~~here~~ [here](#).
- (2) Form A (shortened form) may be found ~~here~~ [here](#).
- (3) Form B may be found ~~here~~ [here](#).
- (4) Form C may be found ~~here~~ [here](#).
- (5) Form D may be found ~~here~~ [here](#).
- (6) Form E may be found ~~here~~ [here](#).
- (7) Form I may be found ~~here~~ [here](#).
- (8) Form J may be found ~~here~~ [here](#).

Annex I

Amendments to the Senior Managers Regime – Transitional Provisions Part

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

~~1~~ APPLICATION AND DEFINITIONS

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

~~candidate~~

~~means a person in respect of whom a firm has made a pending application.~~

~~commencement date~~

~~means 7 March 2016.~~

~~continued approval~~

~~means approval to perform a PRA senior management function under section 59 of FSMA, granted pursuant to a grandfathering notification.~~

~~equivalent function~~

~~means a PRA senior management function or FCA-designated senior management function that is specified in 6 as equivalent for the purposes of articles 2(3)(b) and 11(c) of the Transitional Order, to a pre-implementation controlled function.~~

~~FCA controlled function~~

~~means a controlled function specified by the FCA under section 59 of FSMA.~~

~~FCA-designated senior management function~~

~~means any of the functions specified in column 3 (FCA-designated senior management functions) of the table set out in 6.~~

~~grandfathering notification~~

~~means a notice required to be sent to the PRA under article 2(1) or 11(b) of the Transitional Order, including any update to such a notice.~~

~~management responsibilities map~~

~~has the meaning given in Allocation of Responsibilities 6.~~

~~pending application~~

~~means an application for approval under section 60 of FSMA which:~~

~~_____ (1) _____ has been received by the FCA or PRA from the firm on or before the commencement date, and~~

~~_____ (2) _____ has not been determined or withdrawn.~~

~~_____ PRA senior management function~~

~~_____ means a function specified as a controlled function in Senior Management Functions 2 in relation to the carrying on of a regulated activity by a firm.~~

~~_____ pre-implementation controlled function~~

~~_____ means any of the controlled functions listed in column 1 of the table in 6.~~

~~_____ statement of responsibilities~~

~~_____ means a statement pursuant to article 2(3)(c) or 11(d) of the Transitional Order setting out the aspects of the affairs of the firm which it is intended that each relevant person will be responsible for managing in performing the notified functions.~~

~~_____ Transitional Order~~

~~_____ means the Financial Services (Banking Reform) Act 2013 (Transitional and Savings Provisions) Order 2015 (SI 2015/492).~~

~~2 GENERAL~~

~~2.1 The PRA directs that a firm must make a grandfathering notification using Form K before 8 February 2016.~~

~~2.2 The PRA directs that the notice required by article 6(1) of the Transitional Order must be provided to the PRA using Form K.~~

~~2.3 The PRA directs that the notice required by article 11(b) of the Transitional Order in respect of a candidate for whom continued approval is sought must be provided to the PRA in Form K as part of a grandfathering notification.~~

~~3 GRANDFATHERING NOTIFICATION REQUIREMENTS~~

~~3.1 A firm must ensure that the grandfathering notification sets out, in respect of each approved person or candidate:~~

~~(1) each of the pre-implementation controlled functions for which the person is approved, or (in the case of a candidate) has a pending application, in relation to the firm;~~

~~(2) each PRA senior management function to be performed by the person on and after the commencement date in relation to the firm; and~~

~~(3) each FCA designated senior management function (if any) to be performed by the person on and after the commencement date in relation to the firm.~~

~~3.2 The PRA directs that a firm must not specify in a grandfathering notification a PRA senior management function or an FCA designated senior management function for a person which is not an equivalent function in the table in 6 or the table in FCA SUP TP 6.2.7 in relation to:~~

~~(1) (for an approved person) any pre-implementation controlled functions for which the person has approval in relation to the firm; or~~

~~(2) — (for a candidate) any pre-implementation controlled functions in respect of which there is a pending application.~~

3.3 The PRA directs that:

~~(1) — a statement of responsibilities must be submitted with the grandfathering notification in respect of each approved person or candidate for whom continued approval is sought; and~~

~~(2) — the firm must submit a management responsibilities map, showing the role of each approved person or candidate as at the commencement date, including the person(s) subject to the grandfathering notification.~~

3.4 The PRA directs that a firm must list in the grandfathering notification each approved person or candidate who, on the commencement date, will be acting in the capacity of a non-executive director but who will not be performing a PRA senior management function or FCA designated senior management function.

4 PROCEDURE FOR MAKING GRANDFATHERING NOTIFICATIONS

4.1 The PRA directs that, save as required by 4.2:

~~(1) — A firm other than a credit union must make any applications, notifications or submissions, including updates, required by this Part using the ONA system; and~~

~~(2) — a credit union must make any applications, notifications or submissions, including updates, required by this Part:~~

~~(a) — using the ONA system; or~~

~~(b) — in the manner set out in Notifications 7.~~

4.2 If, under any direction or rule in this Chapter,

~~(1) — a firm is required to make an application, notification or submission online; and~~

~~(2) — the information technology systems used by the PRA fail, and online submission is unavailable for 24 hours or more,~~

~~until such time as facilities for online submission are restored a firm may submit the specified form in accordance with Notifications 7 (Form and method of notification).~~

5 UPDATING A GRANDFATHERING NOTIFICATION

5.1 The PRA directs that if, before the commencement date, there has been a significant change to the matters covered by any statement of responsibilities or the management responsibilities map provided pursuant to 3.3, the firm must provide a revised version to the PRA in accordance with the procedure in 4.

6 TABLE OF FUNCTIONS FOR GRANDFATHERING

6.1 The PRA senior management functions set out in column 2 of the table are specified as equivalent functions, in each case in relation to the pre-implementation controlled functions set out in the corresponding row of column 1 of the table below.

6.2 The FCA functions set out in column 3 of the table are specified as *equivalent functions*, in each case, in relation to the *pre-implementation controlled functions* set out in the corresponding row of column 1 of the table below.

Column 1	Column 2	Column 3
Pre-implementation PRA or FCA Controlled Function	PRA Senior Management Function	FCA-designated Senior Management Function
All firms apart from credit unions and UK branches of third country CRR firms		
Director (CF1) Partner (CF4) Director of unincorporated association (CF5)	Chief Finance function (SMF2) Chief Risk function (SMF4) Head of Internal Audit (SMF5) Head of Key Business Area (SMF6) Group Entity Senior Manager (SMF7)	Executive Director (SMF3)
Non-executive director (CF2)	Group Entity Senior Manager (SMF7) Chairman (SMF9) Chair of the Risk Committee (SMF10) Chair of the Audit Committee (SMF11) Chair of the Remuneration Committee (SMF12) Senior independent director (SMF14)	Chair of the Nominations Committee (SMF13)
Chief executive (CF3)	Chief executive (SMF1)	-
Systems and Controls (CF28)	Chief Finance function (SMF2) Chief Risk function (SMF4) Head of Internal Audit (SMF5) Group Entity Senior Manager (SMF7)	-
Significant management (CF29)	Head of Key Business Area (SMF6) Group Entity Senior Manager (SMF7)	Other overall responsibility function (SMF18)
Credit unions		
Column 1	Column 2	Column 3
PRA or FCA Controlled	PRA Senior Management	FCA-designated Senior

Function	Function	Management Function
Director (CF1)	Credit Union Senior Manager (SMF8)	Executive Director (SMF3)
Non-executive director (CF2)	Credit Union Senior Manager (SMF8)	Chair of the Nominations Committee (SMF13)
Chief executive (CF3)	Credit Union Senior Manager (SMF8)	-
UK Branches of Third country CRR firms		
PRA or FCA Controlled Function	PRA Senior Management Function	FCA Function
Director (CF1)	Chief Finance function (SMF2) Chief Risk function (SMF4) Head of Internal Audit (SMF5) Group Entity Senior Manager (SMF7) Head of Overseas Branch (SMF19)	Executive Director function (SMF 3)
Non-executive director (CF2)	Group Entity Senior Manager (SMF7)	-
Chief executive (CF3)	Head of Overseas Branch (SMF19)	-
Systems and Controls (CF28)	Chief Finance function (SMF2) Chief Risk function (SMF4) Head of Internal Audit (SMF5) Group Entity Senior Manager (SMF7)	Other local responsibility function (SMF22)
Significant management (CF29)	Group Entity Senior Manager (SMF7) Head of Overseas Branch (SMF19)	Other local responsibility function (SMF22)

6.3 ~~— The PRA directs that a firm must not specify in the grandfathering notification that any person shall perform any combination of PRA senior management functions which is prohibited by any other provision of the PRA Rulebook or the FCA Handbook.~~

~~7 APPLICATIONS TO TAKE EFFECT FROM THE COMMENCEMENT DATE~~

~~7.1 The PRA directs that a firm must not submit any application pursuant to Senior Managers Regime Applications and Notifications 2, for a person to perform a PRA senior management function, before 1 January 2016.~~

~~7.2 The PRA directs that any application to perform a PRA senior management function which is made between 1 January 2016 and the day before the commencement date must:~~

~~(a) be made on the correct form as directed by Senior Managers Regime Applications and Notifications 2 (as if those provisions were in force); and~~

~~(b) be submitted as directed by Senior Managers Regime Applications and Notifications 7 (as if those provisions were in force).~~

~~7.3 An application to perform a PRA senior management function which is made between 1 January 2016 and the day before the commencement date is made on the basis that it is treated as being made on the commencement date.~~

~~8 FORMS~~

~~8.1 The forms referred to in 7.2 (a) are:~~

~~(a) Form A (long form) which may be found here;~~

~~(b) Form A (shortened form) which may be found here; and~~

~~(c) Form E which may be found here.~~

~~8.2 Form K may be found here.~~

~~8.3 A form of statement of responsibilities:~~

~~(a) for a third country CRR firm, may be found here; and~~

~~(b) for all other firms, may be found here. [deleted]~~

Annex J
Amendments to the
Group Supervision Part

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

...

17. Risk Management and Internal Control

17.4 For the purposes of applying Key Function Holder – Notifications 2 to 6 at the level of the *group*, in accordance with 17.1(1)(i), *firms* should read the definitions of *grandfathering key function holder*, *new SIMF applicant*, *transitional key function holder* and *transitional notified non-executive director* in Key Function Holder – Notifications 1 as follows:

...

(2) *new SIMF applicant*

means a *key function holder* at the level of the *group* (other than a *grandfathering key function holder*) who submits an application for a ~~*senior management function*~~ or *PRA senior insurance management function* prior to the *commencement date* in relation to a *PRA-~~authorised~~ person* in that *group*.

...

Annex K

Amendments to the

Insurance – Allocation of Responsibilities Part

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

1 APPLICATION AND DEFINITIONS

....

1.2 In this Part, the following definitions shall apply:

....

~~SIMR~~ prescribed responsibility

....

2 ALLOCATION OF RESPONSIBILITIES

2.1 A firm (other than a *third country branch undertaking*, ~~or a small run-off firm or a UK ISPV~~) must allocate each of the ~~SIMR~~ prescribed responsibilities set out in 3.1 (other than 3.1(10) and (11)), to one or more *persons* who, in relation to that *firm*, are approved under section 59 of FSMA by:

(1) the PRA to perform a PRA senior ~~insurance~~ management function; or

....

2.2 A firm (other than a *third country branch undertaking*, ~~or a small run-off firm or a UK ISPV~~) must allocate each of the ~~SIMR~~ prescribed responsibilities set out in 3.1(10) and (11) and the ~~SIMR~~ prescribed responsibility set out in 3.3, if applicable, to one or more *non-executive directors* who perform:

(1) a PRA senior ~~insurance~~ management function set out in Insurance – Senior Insurance Management Functions 4; or

....

2.3 A *third country branch undertaking* (other than a *Swiss general insurer*) must allocate each of the ~~SIMR~~ prescribed responsibilities set out in 3.1(1A) to 3.1(1), (4), (5), (6) and (7) and each of the *third country branch prescribed responsibilities* to one or more *persons* who, in relation to that *firm*, are approved under section 59 of FSMA by:

(1) the PRA to perform a PRA senior ~~insurance~~ management function; or

...

2.4 A *small run-off firm* must allocate each of the ~~SIMR~~ *prescribed responsibilities* set out in 3.2 to one or more *persons* who, in relation to that *small run-off firm*, are approved under section 59 of FSMA by:

(1) the PRA to perform a PRA *senior ~~insurance~~ management function*; or

....

2.5 A *UK ISPV* must allocate each of the ~~SIMR~~ *prescribed responsibilities* set out in 3.1(1A) to 3.1(1C) to one or more *persons* who, in relation to that *firm*, are approved under section 59 of FSMA by:

(1) the PRA to perform a PRA *senior ~~insurance~~ management function*; or

...

2.6 A *firm* must ensure that any responsibilities allocated to, and that form part of the responsibilities of, a *person* who performs a *PRA senior ~~insurance~~ management function* in relation to the *firm* are consistent with the scope of that PRA *senior ~~insurance~~ management function* and of any ~~SIMR~~ *prescribed responsibilities*, *FCA responsibilities* and other responsibilities allocated to that *person*.

3 ~~SIMR~~ PRESCRIBED RESPONSIBILITIES

3.1 Each of the responsibilities set out in this rule is an ~~SIMR~~ *prescribed responsibility*:

(1A) responsibility for the *firm's* performance of its obligations under the *senior ~~insurance~~ management regime*;

...

(1) responsibility for ensuring that the *firm* has complied with its obligations in Insurance – Fitness and Propriety to:

(a) ensure that every *person* who performs a *key function* but does not also perform a PRA *senior ~~insurance~~ management function* or a *certification function* is a fit and proper *person*; and

...

3.2 Each of the following responsibilities is an ~~SIMR~~ *prescribed responsibility* in respect of a *small run-off firm*:

....

3.3 The responsibility set out in rule 3.3(1) is an ~~SIMR~~ *prescribed responsibility* in the circumstances specified:

....

5 RECORDS

5.1 A *firm* must have and maintain a *management responsibilities map*, which is a clear and coherent document or series of documents with the following details:

...

- (3) for each *person* named pursuant to 5.1(2), a summary of the significant responsibilities allocated to that *person* (including, if applicable, any *SMR prescribed responsibilities* that have been allocated to that *person* in accordance with 2);

...

7 UK ISPVs

...

7.3 The requirements in 5.4 and 5.6 apply to a *firm* that is a *UK ISPV* as if any reference to a *key function holder* were a reference to a *PRA senior insurance* ~~*insurance*~~ *management function holder*.

....

Annex L

Amendments to the

Insurance – Conduct Standards Part

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

1. APPLICATION AND DEFINITIONS

1.1 Unless otherwise stated, this Part applies to:

...

(6) in relation to any of the foregoing *firms*, any *person* who is:

...

(f) an *employee* who is performing a function that would have been a *controlled function* but for Insurance - Senior Insurance Management Functions 2.4.

...

3 CONDUCT STANDARDS

...

3.4 **Senior Insurance Manager Conduct Standard 1:** You must take reasonable steps to ensure that the business of the *firm* for which you are responsible is controlled effectively.

3.5 **Senior Insurance Manager Conduct Standard 2:** You must take reasonable steps to ensure that the business of the *firm* for which you are responsible complies with the relevant requirements and standards of the *regulatory system*.

3.6 **Senior Insurance Manager Conduct Standard 3:** You must take reasonable steps to ensure that any delegation of your responsibilities is to an appropriate *person* and that you oversee the discharge of the delegated responsibility effectively.

3.7 **Senior Insurance Manager Conduct Standard 4:** You must disclose appropriately any information of which the *FCA* or the *PRA* would reasonably expect to have notice.

3.8 **Senior Insurance Manager Conduct Standard 5:** When exercising your responsibilities, you must pay due regard to the interests of current and potential future *policyholders* in ensuring the provision by the *firm* of an appropriate degree of protection for their insured benefits.

...

Annex M

Amendments to the

Insurance – Fitness and Propriety Part

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

1 APPLICATION AND DEFINITIONS

...

1.2 In this Part, the following definitions shall apply:

...

disciplinary action

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

individual conduct requirements

means:-

1. ~~(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) FIT and APER in the *PRA Handbook*;~~
- ~~(5) COCON in the *FCA Handbook*; and~~
- ~~(6) APER in the *FCA Handbook*.~~

...

2 FITNESS AND PROPRIETY ASSESSMENTS BY FIRMS

...

2.4 In deciding whether a *person* (P) is fit and proper to be appointed as a *PRA senior insurance management function holder* or a *notified non-executive director*, a *firm* must:

...

2.5 (1) Before deciding whether a *person* (P) is fit and proper to be appointed as a *key function holder* or to perform a *certification function*, a *firm* must take reasonable steps to obtain appropriate references covering the past six years from the following:

...

- (3) When making a PRA senior insurance management approval application, a firm must take reasonable steps to obtain references in accordance with (1) and (2):

...

3 REGULATORY REFERENCES

- 3.1 (1) If any *PRA-authorised person* (A):

- (a) is considering issuing a *certificate* to, making a PRA senior management approval 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);

...

4 DISCLOSURE AND REPLACEMENTS

- 4.1 ...

- (3) Where a *firm* has complied with 4.1(1) in connection with the appointment of a *person* as a *key function holder*, and such *person* transfers from that *key function* to a different *key function* or is appointed to an additional *key function*, in either case within the same *firm*, for the purposes of 4.1(1) the *firm* need only supply, in connection with such subsequent appointment:

- (a) ...
- (b) if the *key function holder* is also to perform a PRA senior insurance management function or an *FCA controlled function*, the information required in connection with an application for approval to do so.

- 4.2 Where:

- (1) a *person* who is to become a *key function holder* is also to be approved by the *PRA* to perform a PRA senior insurance management function or by the *FCA* to perform an *FCA controlled function*; and
- (2) the *firm* includes the information referred to in 4.1 in its application to the *PRA* for the approval of that *person* to perform the PRA senior insurance management function, or in the application to the *FCA* for the approval of that *person* to perform the *FCA controlled function*,

...

Annex N

Amendments to the Insurance – Senior Insurance Management Functions Part

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

Part

Insurance – Senior ~~Insurance~~ Management Functions Part

Chapter content

1 APPLICATION AND DEFINITIONS

....

1.2 In this Part, the following definitions shall apply:

Chairman of the Governing Body function

has the meaning given in 4.1.

Chairman of Audit Committee function

has the meaning given in 4.3.

Chairman of Remuneration Committee function

has the meaning given in 4.4.

Chairman of Risk Committee function

has the meaning given in 4.2.

....

Group Entity Senior ~~Insurance~~ Manager function

has the meaning given in 5.1.

....

2 GENERAL

2.1 Each of the functions in 3 –10 is a *controlled function* and a PRA senior ~~insurance~~ management function.

2.2 PRA ~~Senior insurance~~ management function holders must each be approved by the PRA to perform the applicable PRA senior ~~insurance~~ management function.

2.3 (1) A firm (other than a *third country branch undertaking* or a *small run-off firm*) must ensure that one or more *persons* performs each of the following PRA senior ~~insurance~~ management functions on its behalf:

...

(c) the ~~Chairman~~ Chairman of the Governing Body function.

(2) If a vacancy arises in respect of one or more of the PRA senior insurance management functions set out in (1), a firm must ensure that it appoints a person to fill that vacancy as soon as practicable.

2.4 To the extent that:

- (1) a firm appoints a person to perform a key function which, but for this rule, would be a PRA senior insurance management function;
- (2) the appointment is solely to provide cover for a PRA senior insurance management function holder whose absence is:

...

the description of the applicable PRA senior insurance management function does not relate to those activities of that person.

2.5 (1) If, in relation to a firm, a PRA senior insurance management function holder also performs *FCA activities*, performance of the PRA senior insurance management function will include the performance of those *FCA activities*, provided the following conditions are met:

(a) the PRA's approval to perform that PRA senior insurance management function has been granted and continues in force;

....

(2) If, in relation to a firm, a PRA senior insurance management function holder has been performing *FCA activities* in the circumstances set out in (1), and that person:

- (a) ceases to perform the PRA senior insurance management function;
- (b) within three months of ceasing performance, is approved to perform a new PRA senior insurance management function at the firm; and
- (c) continues to perform the *FCA activities*,

performance of the new PRA senior insurance management function will include the performance of those *FCA activities*, provided the conditions in (1) (a) to (d) are met.

2.6 If a PRA senior insurance management function holder to whom 2.5 applies ceases to perform a PRA senior insurance management function but continues to perform the *FCA activities*, 2.5(1) will continue to apply in respect of the performance of the *FCA activities* until the earlier of:

- (1) ...
- (2) three months from the time that the person ceased to perform that PRA senior insurance management function.

...

2.8 (1) A firm (other than a UK ISPV) must take all reasonable steps to ensure that before a person begins to perform:

(a) a PRA senior ~~insurance~~ management function; or

(b) new or revised responsibilities in performance of a PRA senior ~~insurance~~ management function

that person is provided with all of the information and materials that the person may reasonably expect in order to perform that PRA senior ~~insurance~~ management function or those new or revised responsibilities effectively and in accordance with the regulatory system.

3 EXECUTIVE

3.1 The *Chief Executive function* (S1MF1) is the function of having responsibility, under the immediate authority of the *governing body*, alone or jointly with others, for carrying out the management of the conduct of the whole of the business (or relevant activities) of a *firm*.

3.2 The *Chief Finance function* (S1MF2) is the function of having responsibility for the management of the financial resources of a *firm* and reporting to the *governing body* of a *firm* in relation to its financial affairs.

3.3 The *Chief Risk function* (S1MF4) is the function of having responsibility for overall management of the risk management system specified in Conditions Governing Business 3.

3.4 The *Head of Internal Audit function* (S1MF5) is the function of having responsibility for the management of the internal audit *function* specified in Conditions Governing Business 5.

3.5 The *Head of Key Business Area function* (S1MF6) is the function of having responsibility for management of a business area or division of a *firm* (other than a third country branch undertaking) where:

...

3.7 The *Chief Operations function* (S1MF24) is the function of having responsibility for the internal operations and technology of a *firm*.

4 OVERSIGHT

4.1 The ~~*Chairman*~~ *of the Governing Body function* (S1MF9) is the function of having responsibility for chairing, and overseeing the performance of the *governing body* of a *firm*.

4.2 The ~~*Chairman*~~ *of Risk Committee function* (S1MF10) is the function of having responsibility for chairing, and overseeing the performance of any committee responsible for the oversight of the risk management system specified in Conditions Governing Business 3.

4.3 The ~~*Chairman*~~ *of Audit Committee function* (S1MF11) is the function of having responsibility for chairing and overseeing the performance of any committee responsible for the oversight of the internal audit *function* specified in Conditions Governing Business 5.

- 4.4 The ~~Chairman~~ *of Remuneration Committee function* (SIMF12) is the function of having responsibility for chairing and overseeing the performance of any committee responsible for the oversight of the design or implementation of the remuneration policies and practices of a firm.
- 4.5 The *Senior Independent Director function* (SIMF14) is the function of performing the role of a senior independent *director*, and having particular responsibility for leading the assessment of performance of the ~~person~~ *performing the Chairman of the Governing Body function*.

5 GROUP ENTITIES

- 5.1 The *Group Entity Senior ~~Insurance~~ Manager function* (SIMF7) is the function of having a significant influence on the management or conduct of one or more aspects of the affairs of a firm in relation to its *regulated activities* (other than in the course of the performance of another *PRA senior ~~insurance~~ management function*) and which is performed by a person employed by, or an officer of:

....

6 HEAD OF THIRD COUNTRY BRANCH

....

- 6.2 The *Head of Third Country Branch function* (SIMF19) is the function of having responsibility for the conduct of all activities of the *third country branch undertaking* that are subject to the *regulatory system*.
-
- 6.4 A *third country branch undertaking* that transacts *with-profits insurance business* must have at least one person approved to perform the *With-Profits Actuary function* (SIMF240a).
- 6.5 A *third country branch undertaking* is not required to have any person(s) approved to perform any of the other *PRA senior ~~insurance~~ management functions*.

6A HEAD OF SMALL RUN-OFF FIRM

...

- 6A.2 The *Head of small run-off firm function* (SIMF 26) is the function of:
-
- 6A.4 A *small run-off firm* must have at least one person approved to perform the *Chief Finance function* (SIMF2).
- 6A.5 A *small run-off firm* that transacts *with-profits insurance business* must have at least one person approved to perform the *With-Profits Actuary function* (SIMF240a).

6A.6 A *small run-off firm* is not required to have any *person(s)* approved to perform any of the other PRA ~~senior insurance~~ *senior insurance management functions*.

7 CHIEF ACTUARY

7.1 The *Chief Actuary function* (S+MF20) is the function of having responsibility for the *actuarial function* specified in Conditions Governing Business 6.

8 WITH-PROFITS ACTUARY

....

8.2 The *With-Profits Actuary function* (S+MF240a) is the function of having responsibility for advising the *governing body* of a *firm* transacting *with-profits insurance business* on the exercise of discretion affecting part or all of that business, as described more fully in Actuaries 5.1.

9 CHIEF UNDERWRITING OFFICER

....

9.2 The *Chief Underwriting Officer function* (S+MF223) is the function of having responsibility, in respect of the *firm's general insurance business*, for the underwriting decisions in respect of material insurance risks that:

....

10 UNDERWRITING RISK OVERSIGHT

....

10.2 The *Underwriting Risk Oversight function* (S+MF23a) is the function of overseeing and influencing underwriting plans by *managing agents* in respect of risks borne by *members*.

....

12 UK ISPVS

....

12.2 The following PRA ~~senior insurance~~ *senior insurance management functions* do not apply to a *UK ISPV*:

- (1) *Chief Risk function* (S+MF4);
- (2) *Head of Internal Audit function* (S+MF5);
- (3) *Chairman of Risk Committee function* (S+MF10);
- (3A) *Head of Key Business Area function* (S+MF6);
- (4) *Chairman of Audit Committee function* (S+MF11);
- (5) *Chairman of Remuneration Committee function* (S+MF12);
- (6) *Senior Independent Director function* (S+MF14);
- (7) *Head of Third Country Branch function* (S+MF19);
- (8) *With-Profits Actuary function* (S+MF240a); and
- (9) *Chief Underwriting Officer function* (S+MF223); and
- (10) *Chief Operations function* (S+MF24).

13 COMBINATION OF PRA SENIOR INSURANCE MANAGEMENT FUNCTIONS

...

13.2 A large firm must ensure that a person who performs the *Chairman of the Governing Body function* on its behalf does not perform the *Chief Executive function* within the same firm.

13.3 A large firm that is a member of a group must ensure that a group executive does not perform any of the following functions in respect of the firm:

- (1) the *Chairman of the Governing Body function* (S+MF9);
- (2) the *Chairman of Risk Committee function* (S+MF10);
- (3) the *Chairman of Audit Committee function* (S+MF11);
- (4) the *Chairman of Remuneration Committee function* (S+MF12); or
- (5) the *Senior Independent Director function* (S+MF14).

...

Annex O

Amendments to the Key Function Holder – Notifications Part

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

...

1 APPLICATION AND DEFINITIONS

...

1.2 In this Part, the following definitions shall apply:

...

new SIMF applicant

means, in relation to a *firm*, a *key function holder* (other than a *grandfathering key function holder*) who submits an application for a PRA senior insurance management function prior to the *commencement date*.

...

~~*senior insurance management approval application*~~

~~means an application for approval to perform a *senior insurance management function* under section 59 of FSMA.~~

...

2 KEY FUNCTION HOLDER NOTIFICATION

2.1 This Chapter does not apply in relation to a:

...

(3) *new SIMF applicant*.

...

2.4 The PRA directs that:

(1) where the *key function holder* is to be approved by the PRA to perform a PRA senior insurance management function, the *firm* must provide the information referred to in 2.2 to the PRA in whichever Form is required for the PRA senior insurance management approval application, pursuant to Insurance - Senior Insurance Managers Regime – Applications and Notifications 2, which must be accompanied by a *statement of responsibilities form*; and

...

4 FORMS

4.1 The key function holder notification form, Form M, may be found ~~here~~ here.

...

Annex P

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

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

Part

Insurance – Senior Insurance Managers Regime – Applications and Notifications Part

Chapter content

1 APPLICATION AND DEFINITIONS

...

1.2 In this Part, the following definitions shall apply:

...

current approved person approval

means

(1) an approval granted to a *person* under section 59 of *FSMA* (Approval for particular arrangements):

(a) by the *PRA* for the performance of a *PRA senior management function* or ~~senior insurance management~~

~~function~~; or

...

(2) a deemed approval given by:

(a) the *PRA* following the submission of a *conversion grandfathering notification* under ~~Senior Insurance Managers Regime - Transitional Provisions or Senior Managers Regime Transitional Provisions~~ or by the *FCA* under any equivalent rules in the *FCA Handbook*; or

(b) the *FCA* under any equivalent process contained in rules in the *FCA Handbook*;

...

~~*grandfathering notification*~~

has the meaning given in ~~Senior Insurance Managers Regime – Transitional Provisions~~.

...

~~*senior insurance management approval application*~~

~~means an application for approval to perform a *senior insurance management function* under section 59 of FSMA.~~

...

2 APPLICATION TO PERFORM A PRA SENIOR ~~INSURANCE~~ MANAGEMENT FUNCTION

2.1 The *PRA* directs that a *firm* must make a PRA *senior insurance management approval application* in accordance with 2.2, before the activities requiring approval commence.

2.2 The *PRA* directs that a *firm* must use Form A (long form) for a PRA *senior insurance management approval application* unless:

...

2.3 The *PRA* directs that, subject to 2.4 and 2.5, a *firm* must use Form E for a PRA *senior insurance management approval application* if it is being made in respect of a *person* who has a *current approved person approval* and is either:

- (1) ceasing to perform a *PRA senior management function* or *senior insurance management function* and taking up a new *PRA senior insurance management function* for the same *firm* or another member of its *group*; or
- (2) ceasing to perform a *significant influence function* and taking up a PRA *senior insurance management function* for the *firm* or another member of its *group*.

2.4 The *PRA* directs that a *firm* must not use Form E for a PRA *senior insurance management approval application* if:

- (1) a notification has been or should be made to the *PRA* or *FCA* under any of the following:
 - (a) section 63(2A) of *FSMA* (Duty to notify regulator of grounds for withdrawal of approval);
 - (b) section 64C of *FSMA* (Requirement for authorised person to notify regulator of disciplinary action);

...

(3) any of the circumstances in 4.2(2)(a)-(d) apply in relation to:

- (a) any *controlled function* that that *person* is ceasing to perform; or
- (b) any *controlled function* that that *person* is continuing to perform in relation to that *firm* or a *firm* in the same *group*.

~~including if any reference in 4.2(2)(a)-(d) to a *senior insurance management function holder* were read as if it included reference to a *PRA senior management function holder*.~~

2.5 The *PRA* directs that a *firm* must not use Form E if the *person* to whom the *PRA* senior ~~insurance~~ management approval application relates:

....

2.6 (1) The *PRA* directs that a *firm* must use Form A (shortened form) for a *PRA* senior ~~insurance~~ management approval application if:

...

(b) there have been no matters arising in relation to the fitness and propriety of the *person* to whom the *PRA* senior ~~insurance~~ management approval application relates which mean that the information provided to the *FCA* or *PRA* regarding fitness and propriety in connection with a *current approved person approval* may have changed since the application for the *current approved person approval* was made.

....

2.7 The *PRA* directs that the form submitted for a *PRA* senior ~~insurance~~ management approval application must be accompanied by a *statement of responsibilities form* or, where a *statement of responsibilities form* has already been provided under Key Function Holder – Notifications 2.2, an updated version of it.

3 WITHDRAWAL OF A PRA SENIOR ~~INSURANCE~~ MANAGEMENT APPROVAL APPLICATION

3.1 The *PRA* directs that a *firm* withdrawing an outstanding *PRA* senior ~~insurance~~ management approval application must do so using Form B.

4 CEASING TO PERFORM A PRA SENIOR ~~INSURANCE~~ MANAGEMENT FUNCTION

4.1 A *firm* must notify the *PRA* no later than seven *business days* after a *person* ceases to perform a *PRA* senior ~~insurance~~ management function, using:

(1) Form E if a *person* ceases to perform a *PRA* senior ~~insurance~~ management function and the *firm* is also making an application for the same *person* to perform a new *PRA* senior ~~insurance~~ management function; and

(2) in all other cases, Form C.

4.2 (1) A *firm* must notify the *PRA* as soon as practicable after it becomes aware, or has information which reasonably suggests, that it will submit a qualified Form C in respect of a *PRA* senior ~~insurance~~ management function holder.

(2) Form C is qualified if the information it contains:

(a) relates to the fact that the *firm* has dismissed or suspended the *PRA* senior ~~insurance~~ management function holder from its employment;

- (b) relates to the resignation by the PRA senior insurance management function holder while under investigation by the firm, the PRA or any other regulatory body;
- (c) includes a notification under any of the provisions set out in 2.4(1); or
- (d) otherwise reasonably suggests that it may affect the PRA's assessment of the PRA senior insurance management function holder's fitness and propriety.

5 CHANGE IN DETAILS RELATING TO PRA SENIOR INSURANCE MANAGEMENT FUNCTION HOLDERS

- 5.1 If a PRA senior insurance management function holder's title, name or national insurance number changes, the firm for which the person performs a PRA senior insurance management function must notify the PRA of that change within seven business days of the firm becoming aware of the matter, using Form D.
- 5.2 If, in relation to a firm which has submitted an application on either Form A (long or shortened form) or Form E, as required by 2.2, any of the details relating to PRA senior insurance management functions are to change, the firm must notify the PRA using Form D as soon as reasonably practicable after the firm becomes aware of the proposed change.
- 5.3 If a PRA senior insurance management function holder ceases to perform a PRA senior insurance management function for a firm but continues to perform one or more PRA senior insurance management functions for the same firm, the firm must submit a revised statement of responsibilities form for the remaining PRA senior insurance management function(s), along with Form J.

...

7 FORMS

- 7.1 (1) Form A (long form) may be found ~~here~~ here.
- (2) Form A (shortened form) may be found ~~here~~ here.
- (3) Form B may be found ~~here~~ here.
- (4) Form C may be found ~~here~~ here.
- (5) Form D may be found ~~here~~ here.
- (6) Form E may be found ~~here~~ here.
- (7) The scope of responsibilities form may be found ~~here~~ here.

...

Annex Q
Amendments to the
Transitional Measures Part

In this Annex deleted text is struck through.

1 APPLICATION AND DEFINITIONS

...

1.2 In this Part the following definitions shall apply:

...

Solvency II rules

means the *PRA* rules in the Valuation, Technical Provisions, Own Funds, Solvency Capital Requirement – General Provisions, Solvency Capital Requirement – Standard Formula, Solvency Capital Requirement – Internal Models, Minimum Capital Requirement, Undertakings in Difficulty, Investments, Composites, Conditions Governing Business, Insurance Special Purpose Vehicles, Group Supervision, Reporting, Surplus Funds, With-Profits, Insurance - Certification, Insurance – Conduct Standards, Insurance – Senior Insurance Management Functions, Insurance – Allocation of Responsibilities and Insurance – Fitness and Propriety Parts of the *PRA* Rulebook.

...

Annex R
Amendments to the
Insurance Company – Reporting Part

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

1 APPLICATION AND DEFINITIONS

...

1.3 In this Part, the following definitions shall apply:

...

Head of Third Country Branch function

means the function set out in Large Non-Solvency II Firms – Senior Insurance Management Functions 6.2.

...

Small Insurer Senior Management Function

means the function set out in Non-Solvency II Firms – Senior Insurance Management Functions 3.1.

...

14 TRANSITIONAL AND ~~GRANDFATHERING~~ CONVERSION MEASURES

...

Annex S

Amendments to the

Large Non-Solvency II Firms - Allocation of Responsibilities Part

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

1 APPLICATION AND DEFINITIONS

1.2 In this Part, the following definitions shall apply:

~~SIMR~~-prescribed responsibility

- (1) for a firm (other than a *Swiss general insurer*) means the responsibilities in 3.1;

...

2 ALLOCATION OF RESPONSIBILITIES

2.1 A firm (other than a *Swiss general insurer*) must allocate each of the ~~SIMR~~-prescribed responsibilities set out in 3.1 (other than 3.1(9) and (10)) to one or more persons who, in relation to that firm, are approved under section 59 of FSMA by:

- (1) the PRA to perform a PRA senior ~~insurance~~ management function; or

...

2.2 A firm (other than a *Swiss general insurer*) must allocate each of the ~~SIMR~~ prescribed responsibilities set out in 3.1(9) and (10) and the ~~SIMR~~ prescribed responsibility set out in 3.2, if applicable to one or more non-executive directors who perform:

- (1) a PRA senior management function set out in Large Non-Solvency II Firms – Senior Insurance Management Functions 4; or

...

2.3 A *Swiss general insurer* must allocate each of the ~~SIMR~~ prescribed responsibilities set out in 3.1(1A) to 3.1(1) and each of the *Swiss general insurer* prescribed responsibilities to one or more persons who, in relation to that firm, are approved under section 59 of FSMA by:

- (1) the PRA to perform a PRA senior ~~insurance~~ management function; or
(2) in relation to the relevant senior management function only, the FCA.

2.4 A firm must ensure that any responsibilities allocated to, and that form part of the responsibilities of, a person who performs a PRA senior ~~insurance~~ management function in relation to the firm are consistent with the scope of that PRA senior ~~insurance~~ management

function and of any ~~SIMR~~ *prescribed responsibilities*, *FCA responsibilities* and other responsibilities allocated to that *person*.

3 **SIMR PRESCRIBED RESPONSIBILITIES**

3.1 Each of the responsibilities set out in this rule is an ~~SIMR~~ *prescribed responsibility*:

(1A) responsibility for the *firm's* performance of its obligations under the ~~senior insurance~~ *management regime*;

(1B) responsibility for the *firm's* performance of its obligations under the *certification regime*;

(1C) responsibility for compliance with the *firm's* obligations in relation to its *management responsibilities map*;

(1) responsibility for ensuring that the *firm* has complied with its obligations in Large Non-Solvency II Firms - Fitness and Propriety to:

(a) ensure that every *person* who performs a *key function* but does not also perform a ~~PRA senior insurance~~ *management function* or a *certification function* is a fit and proper *person*; and

...

3.2 The responsibility set out in rule 3.2(1) is an ~~SIMR~~ *prescribed responsibility* in the circumstances specified:

...

5 **RECORDS**

5.1 ...

(3) for each *person* named pursuant to 5.1(2), a summary of the significant responsibilities allocated to that *person* (including, if applicable, any ~~SIMR~~ *prescribed responsibilities* that have been allocated to that *person* in accordance with 2);

...

Annex T

Amendments to the

Large non-Solvency II Firms – Conduct Standards Part

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

1 APPLICATION AND DEFINITION

1.1 Unless otherwise stated, this Part applies to:

...

(3) in relation to any of the foregoing *firms*, any *person* who is a *Conduct Rules non-executive director* or who is approved under section 59 of *FSMA* by either:

...

(f) an *employee* who is performing a function that would have been a *controlled function* but for *Large Non-Solvency II Firms – Senior ~~Insurance~~ Management Functions* 2.4.

...

3 CONDUCT STANDARDS

3.4 **Senior ~~Insurance~~ Manager Conduct Standard 1:** You must take reasonable steps to ensure that the business of the *firm* for which you are responsible is controlled effectively.

3.5 **Senior ~~Insurance~~ Manager Conduct Standard 2:** You must take reasonable steps to ensure that the business of the *firm* for which you are responsible complies with the relevant requirements and standards of the *regulatory system*.

3.6 **Senior ~~Insurance~~ Manager Conduct Standard 3:** You must take reasonable steps to ensure that any delegation of your responsibilities is to an appropriate *person* and that you oversee the discharge of the delegated responsibility effectively.

3.7 **Senior ~~Insurance~~ Manager Conduct Standard 4:** You must disclose appropriately any information of which the *FCA* or the *PRA* would reasonably expect to have notice.

3.8 **Senior ~~Insurance~~ Manager Conduct Standard 5:** When exercising your responsibilities, you must pay due regard to the interests of current and potential future *policyholders* in ensuring the provision by the *firm* of an appropriate degree of protection for their insured benefits.

Annex U

Amendments to the

Large non-Solvency II Firms – Fitness and Propriety Part

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

1 APPLICATION AND DEFINITIONS

1.2 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) FIT and APER in the *PRA Handbook*;
- (5) ~~COCON in the *FCA Handbook*; and~~
- (6) ~~APER in the *FCA Handbook*.~~

...

2 FITNESS AND PROPRIETY ASSESSMENTS BY FIRMS

2.4 In deciding whether a *person* (P) is fit and proper to be appointed as a *PRA senior insurance management function holder* or a *notified non-executive director*, a *firm* must:

...

2.5 ...

- (3) When making a *PRA senior insurance management approval application*, a *firm* must take reasonable steps to obtain references in accordance with (1) and (2):

...

3 REGULATORY REFERENCES

3.1 (1) If any *PRA-authorized person* (A):

- (a) is considering issuing a *certificate* to, making a *PRA senior management approval 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);

...

4 DISCLOSURE AND REPLACEMENTS

4.1 ...

(2) ...

- (b) if the *key function holder* is also to perform a *PRA senior insurance management function* or an *FCA controlled function*, the information required in connection with an application for approval to do so.

4.2 Where:

- (1) a *person* who is to become a *key function holder* is also to be approved by the *PRA* to perform a *PRA senior insurance management function* or by the *FCA* to perform an *FCA controlled function*; and
- (2) the *firm* includes the information referred to in 4.1 in its application to the *PRA* for the approval of that *person* to perform the *PRA senior insurance management function*, or in the application to the *FCA* for the approval of that *person* to perform the *FCA controlled function*,

...

Annex V

Amendments to the

Large non-Solvency II Firms – Key Function Holder – Notifications Part

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

1 APPLICATION AND DEFINITIONS

1.2 In this Part, the following definitions shall apply:

...

new SIMF applicant

means, in relation to a *firm*, a *key function holder* (other than a *grandfathering key function holder*) who submits an ~~application for a~~ PRA senior insurance management function approval application prior to the *commencement date*.

...

2 KEY FUNCTION HOLDER NOTIFICATION

2.1 This Chapter does not apply in relation to a:

...

(3) *new SIMF applicant*, or

...

2.4 The *PRA* directs that:

(1) where the *key function holder* is to be approved by the *PRA* to perform a PRA senior insurance management function, the *firm* must provide the information referred to in 2.2 to the *PRA* in whichever Form is required for the PRA senior insurance management approval application, pursuant to Large Non-Solvency II Firms – Senior Insurance Managers Regime - Applications and Notifications 2, which must be accompanied by a *statement of responsibilities form*; and

...

4 FORMS

4.1 The *key function holder notification form*, Form M, may be found ~~here~~ here.

...

Annex W

Amendments to the Large non-Solvency II Firms – Senior Insurance Management Functions Part

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

Part

Large non-Solvency II Firms – Senior ~~Insurance~~ Management Functions

Chapter content

1 APPLICATIONS AND DEFINITIONS

...

1.2 In this Part, the following definitions shall apply:

Chairman of the Governing Body function

has the meaning given in 4.1.

~~Chairman~~ *of Audit Committee function*

has the meaning given in 4.3.

~~Chairman~~ *of Remuneration Committee function*

has the meaning given in 4.4.

~~Chairman~~ *of Risk Committee function*

has the meaning given in 4.2.

...

Group Entity Senior ~~Insurance~~ Manager function

has the meaning given in 5.1.

...

2 GENERAL

2.1 Each of the functions in 3 to 9 is a *controlled function* and a PRA senior insurance ~~insurance~~ management function.

2.2 PRA Ssenior insurance ~~insurance~~ management function holders must each be approved by the PRA to perform the applicable PRA senior ~~insurance~~ management function.

- 2.3 (1) A firm (other than a Swiss general insurer) must ensure that one or more persons performs each of the following PRA senior insurance management functions on its behalf:
- ...
- (c) the Chairman of the Governing Body function.
- (2) If a vacancy arises in respect of one or more of the PRA senior insurance management functions set out in (1), a firm must ensure that it appoints a person to fill that vacancy as soon as practicable.
- 2.4 To the extent that:
- (1) a firm appoints a person to perform a key function which, but for this rule, would be a PRA senior insurance management function;
- (2) the appointment is solely to provide cover for a PRA senior insurance management function holder whose absence is:
- (a) temporary; or
- (b) reasonably unforeseen; and
- (3) the appointment is for less than 12 weeks in a consecutive 12-month period,
- the description of the applicable PRA senior insurance management function does not relate to those activities of that person.
- 2.5 (1) If, in relation to a firm, a PRA senior insurance management function holder also performs FCA activities, performance of the PRA senior insurance management function will include the performance of those FCA activities, provided the following conditions are met:
- (a) the PRA's approval to perform that PRA senior insurance management function has been granted and continues in force;
- ...
- (2) If, in relation to a firm, a PRA senior insurance management function holder has been performing FCA activities in the circumstances set out in (1), and that person:
- (a) ceases to perform the PRA senior insurance management function;
- (b) within three months of ceasing performance, is approved to perform a new PRA senior insurance management function at the firm; and
- (c) continues to perform the FCA activities,
- performance of the new PRA senior insurance management function will include the performance of those FCA activities, provided the conditions in (1) (a) to (d) are met.

- 2.6 If a PRA senior insurance management function holder to whom 2.5 applies ceases to perform a PRA senior insurance management function but continues to perform the *FCA activities*, 2.5(1) will continue to apply in respect of the performance of the *FCA activities* until the earlier of:
- (1) approval by the *FCA* in respect of the performance by that person of those *FCA activities* as an *FCA governing function* in relation to the *firm*; or
 - (2) three *months* from the time that the *person* ceased to perform that PRA senior insurance management function.
- 2.7 If a *firm* outsources its internal audit *function* to an external third party service provider (that is, a service provider outside the *firm* or the *firm's group*), the *firm* is not required to have any *person(s)* approved to perform the *Head of Internal Audit function*.
- 2.8 (1) A *firm* must take all reasonable steps to ensure that before a *person* begins to perform:
- (a) a PRA senior insurance management function; or
 - (b) new or revised responsibilities in performance of a PRA senior insurance management function

that *person* is provided with all of the information and materials that the *person* may reasonably expect in order to perform that PRA senior insurance management function or those new or revised responsibilities effectively and in accordance with the *regulatory system*.

...

3 EXECUTIVE

- 3.1 The *Chief Executive function* (S1MF1) is the function of having responsibility, under the immediate authority of the *governing body*, alone or jointly with others, for carrying out the management of the conduct of the whole of the business (or relevant activities) of a *firm*.
- 3.2 The *Chief Finance function* (S1MF2) is the function of having responsibility for the management of the financial resources of a *firm* and reporting to the *governing body* of a *firm* in relation to its financial affairs.
- 3.3 The *Chief Risk function* (S1MF4) is the function of having responsibility for overall management of the risk management system specified in Non-Solvency II Firms – Governance 3.5 and 7.
- 3.4 The *Head of Internal Audit function* (S1MF5) is the function of having responsibility for the management of the internal audit *function* specified in Non-Solvency II Firms – Governance 9.
- 3.5 The *Head of Key Business Area function* (S1MF6) is the function of having responsibility for management of a business area or division of a *firm* where:

...

- 3.7 The *Chief Operations function* (SIMF24) is the function of having responsibility for the internal operations and technology of a firm.

4 OVERSIGHT

- 4.1 The *Chairman of the Governing Body function* (SIMF9) is the function of having responsibility for chairing, and overseeing the performance of the *governing body* of a firm.
- 4.2 The *Chairman of Risk Committee function* (SIMF10) is the function of having responsibility for chairing, and overseeing the performance of any committee responsible for the oversight of the risk management system specified in Non-Solvency II Firms – Governance 3.5 and 7.
- 4.3 The *Chairman of Audit Committee function* (SIMF11) is the function of having responsibility for chairing and overseeing the performance of any committee responsible for the oversight of the internal audit *function* specified in Non-Solvency II Firms – Governance 9.
- 4.4 The *Chairman of Remuneration Committee function* (SIMF12) is the function of having responsibility for chairing and overseeing the performance of any committee responsible for the oversight of the design or implementation of the remuneration policies and practices of a firm.
- 4.5 The *Senior Independent Director function* (SIMF14) is the function of performing the role of a senior independent *director*, and having particular responsibility for leading the assessment of performance of the *person* performing the *Chairman of the Governing Body function*.

5 GROUP ENTITIES

- 5.1 The *Group Entity Senior Insurance Manager function* (SIMF7) is the function of having a significant influence on the management or conduct of one or more aspects of the affairs of a firm in relation to its *regulated activities* (other than in the course of the performance of another *PRA senior insurance management function*) and which is performed by a *person* employed by, or an officer of:
- (1) a *parent undertaking* or holding company of a firm; or
 - (2) another *undertaking* which is a member of the firm's group.

6 HEAD OF THIRD COUNTRY BRANCH

...

- 6.2 The *Head of Third Country Branch function* (SIMF19) is the function of having responsibility for the conduct of all activities of the *Swiss general insurer* that are subject to the *regulatory system*.
- 6.3 (1) A *Swiss general insurer* must have at least one *person* approved to perform the *Head of Third Country Branch function*.

- (2) If a vacancy arises in respect of the *Head of Third Country Branch function*, a *Swiss general insurer* must ensure that it appoints a *person* to fill that vacancy as soon as possible.

6.4 A *Swiss general insurer* is not required to have any *person(s)* approved to perform any of the other *PRA senior insurance management functions*.

7 CHIEF ACTUARY

7.1 The *Chief Actuary function* (SIMF20) is the function of having responsibility for the actuarial *function* specified in Non-Solvency II Firms – Governance 10.

8 WITH-PROFITS ACTUARY

...

8.2 The *With-Profits Actuary function* (SIMF240a) is the function of having responsibility for advising the *governing body* of a *firm* transacting *with-profits insurance business* on the exercise of discretion affecting part or all of that business, as described more fully in Non-Solvency II Firms – Actuarial Requirements 6.1.

9 CHIEF UNDERWRITING OFFICER

...

9.2 The *Chief Underwriting Officer function* (SIMF223) is the function of having responsibility, in respect of the *firm's general insurance business*, for the underwriting decisions in respect of material insurance risks that are borne by the *firm*.

10 COMBINATION OF SENIOR INSURANCE MANAGEMENT FUNCTIONS

...

10.2 A large firm must ensure that a person who performs the *Chairman of the Governing Body function* on its behalf does not perform the *Chief Executive function* within the same *firm*.

10.3 A large firm that is a member of a group must ensure that a *group executive* does not perform any of the following functions in respect of the *firm*:

- (1) the *Chairman of the Governing Body function* (SIMF9);
- (2) the *Chairman of Risk Committee function* (SIMF10);
- (3) the *Chairman of Audit Committee function* (SIMF11);
- (4) the *Chairman of Remuneration Committee function* (SIMF12);
- (5) the *Senior Independent Director function* (SIMF14).

Annex X

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.

Part

Large non-Solvency II Firms – Senior Insurance Managers Regime – Applications and Notifications Part

Chapter content

1 APPLICATION AND DEFINITIONS

...

1.2 In this Part, the following definitions shall apply:

commencement date

has the meaning given in Large Non-Solvency II Firms – Senior Insurance Managers Regime – Transitional Provisions.

current approved person approval

means

(1) an approval granted to a *person* under section 59 of *FSMA* (Approval for particular arrangements):

(a) by the *PRA* for the performance of a *PRA senior management function* or a ~~*senior insurance management function*~~; or

...

(2) a deemed approval given by:

(a) the *PRA* following the submission of a ~~*grandfathering-conversion notification*~~ under;

(i) ~~Senior Insurance Managers Regime – Transitional Provisions;~~

(ii) ~~Large Non-Solvency II Firms – Senior Insurance Managers Regime – Transitional Provisions;~~ or

(iii) ~~Non-Solvency II Firms – Senior Insurance Managers Regime – Transitional Provisions;~~ or

(iv) ~~Senior Managers Regime—Transitional Provisions;~~
or

(b) the *FCA* under any equivalent process contained in
rules in the *FCA Handbook*; or

...

grandfathering notification

~~has the meaning given in Large Non-Solvency II Firms—Senior Insurance Managers
Regime—Transitional Provisions Senior Insurance Managers Regime—Transitional
Provisions.~~

...

2 APPLICATION TO PERFORM A SENIOR ~~INSURANCE~~ MANAGEMENT FUNCTION

2.1 The *PRA* directs that a *firm* must make a *PRA* senior ~~insurance~~ management approval application in accordance with 2.2, before the activities requiring approval commence.

2.2 The *PRA* directs that a *firm* must use Form A (long form) for a *PRA* senior ~~insurance~~ management approval application unless:

- (1) the *firm* must use Form E under 2.3; or
- (2) the *firm* must use Form A (shortened form) under 2.6.

2.3 The *PRA* directs that, subject to 2.4 and 2.5, a *firm* must use Form E for a *PRA* senior ~~insurance~~ management approval application if it is being made in respect of a *person* who has a *current approved person approval* and is either:

- (1) ceasing to perform a *PRA senior management function* ~~or senior insurance management function~~ and taking up a new *PRA* senior ~~insurance~~ management function for the same *firm* or another member of its *group*; or
- (2) ceasing to perform a *significant influence function* and taking up a *PRA* senior ~~insurance~~ management function for the *firm* or another member of its *group*.

2.4 The *PRA* directs that a *firm* must not use Form E for a *PRA* senior ~~insurance~~ management approval application if:

...

2.5 The *PRA* directs that a *firm* must not use Form E if the *person* to whom the *PRA* senior ~~insurance~~ management approval application relates:

- (1) has never before been approved:
 - (a) by the *PRA* to perform a *controlled function*; or
 - (b) by the *FCA* to perform a *significant influence function* for any *firm*;

or

- (2) has not been the subject of a *current approved person approval* in relation to any *firm* for more than six *months* prior to the date of application.
- (3) any of the circumstances in 4.2(2)(a) to (d) apply in relation to:
 - (a) any *controlled function* that that *person* is ceasing to perform; or
 - (b) any *controlled function* that that *person* is continuing to perform in relation to that *firm* or a *firm* in the same *group*including if any reference in 4.2(2)(a)–(d) to a *senior insurance management function holder* were read as if it included reference to a *PRA senior management function holder*.

2.6 (1) The *PRA* directs that a *firm* must use Form A (shortened form) for a *PRA* *senior insurance management approval application* if:

...

- (b) there have been no matters arising in relation to the fitness and propriety of the *person* to whom the *PRA* *senior insurance management approval application* relates which mean that the information provided to the *FCA* or *PRA* regarding fitness and propriety in connection with a *current approved person approval* may have changed since the application for the *current approved person approval* was made.

...

2.7 The *PRA* directs that the form submitted for a *PRA* *senior insurance management approval application* must be accompanied by a *statement of responsibilities form* or, where a *statement of responsibilities form* has already been provided under Large Non-Solvency II Firms – Key Function Holder – Notifications 2.2, an updated version of it.

3 WITHDRAWAL OF A PRA SENIOR INSURANCE MANAGEMENT APPROVAL APPLICATION

3.1 The *PRA* directs that a *firm* withdrawing an outstanding *PRA* *senior insurance management approval application* must do so using Form B.

4 CEASING TO PERFORM A PRA SENIOR INSURANCE MANAGEMENT FUNCTION

4.1 A *firm* must notify the *PRA* no later than seven *business days* after a *person* ceases to perform a *PRA* *senior insurance management function*, using:

- (1) Form E if a *person* ceases to perform a *PRA* *senior insurance management function* and the *firm* is also making an application for the same *person* to perform a new *PRA* *senior insurance management function*; and

...

- 4.2 (1) A *firm* must notify the *PRA* as soon as practicable after it becomes aware, or has information which reasonably suggests, that it will submit a qualified Form C in respect of a *PRA* senior ~~insurance~~ management function holder.
- (2) Form C is qualified if the information it contains:
- (a) relates to the fact that the *firm* has dismissed or suspended the *PRA* senior ~~insurance~~ management function holder from its employment;
 - (b) relates to the resignation by the *PRA* senior ~~insurance~~ management function holder while under investigation by the *firm*, the *PRA* or any other *regulatory body*;
 - (c) includes a notification under any of the provisions set out in ...
 - (d) otherwise reasonably suggests that it may affect the *PRA*'s assessment of the *PRA* senior ~~insurance~~ management function holder's fitness and propriety.

5 CHANGE IN DETAILS RELATING TO *PRA* SENIOR ~~INSURANCE~~ MANAGEMENT FUNCTION HOLDERS

- 5.1 If a *PRA* senior ~~insurance~~ management function holder's title, name or national insurance number changes, the *firm* for which the *person* performs a *PRA* senior ~~insurance~~ management function must notify the *PRA* of that change within seven *business days* of the *firm* becoming aware of the matter, using Form D.
- 5.2 If, in relation to a *firm* which has submitted an application on either Form A (long or shortened form) or Form E, as required by 2.2, any of the details relating to *PRA* senior ~~insurance~~ management functions are to change, the *firm* must notify the *PRA* using Form D as soon as reasonably practicable after the *firm* becomes aware of the proposed change.
- 5.3 If a *PRA* senior ~~insurance~~ management function holder ceases to perform a *PRA* senior ~~insurance~~ management function for a *firm* but continues to perform one or more *PRA* senior ~~insurance~~ management functions for the same *firm*, the *firm* must submit a revised *statement of responsibilities form* for the remaining *PRA* senior ~~insurance~~ management function(s), along with Form J.

6 PROCEDURE FOR MAKING APPLICATIONS AND NOTIFICATIONS

- 6.1 The *PRA* directs that, save as required by 6.2, a *firm* must make any applications, notifications or submissions required by this Part by submitting the form specified using the *ONA system*.
- 6.2 If, under any direction or rule in this Part:
- (1) a *firm* is required to make an application, notification or submission online; and
 - (2) the information technology systems used by the *PRA* fail and online submission is unavailable for 24 hours or more,

until such time as facilities for online submission are restored, a *firm* must submit the specified form in the way set out in Notifications 7.

6.3

...

- (2) A *firm* must not use Form J where the revisions are to be made as part of arrangements involving an application:
- (a) for approval for the *person* performing the *PRA senior ~~insurance~~ management function* concerned to perform another *PRA senior ~~insurance~~ management function* or *relevant senior management function* for the same *firm*; or
 - (b) to vary under section 63ZA of *FSMA* an approval for the *person* performing the *PRA senior ~~insurance~~ management function* concerned to perform another *PRA senior ~~insurance~~ management function* or *relevant senior management function* for the same *firm*.

7 FORMS

- 7.1
- (1) Form A (long form) may be found ~~here~~ here.
 - (2) Form A (shortened form) may be found ~~here~~ here.
 - (3) Form B may be found ~~here~~ here.
 - (4) Form C may be found ~~here~~ here.
 - (5) Form D may be found ~~here~~ here.
 - (6) Form E may be found ~~here~~ here.
 - (7) The *statement of responsibilities form* may be found ~~here~~ here.

Annex Y

Amendments to the

Non-Solvency II Firms – Allocation of Responsibilities Part

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

...

3 PRESCRIBED RESPONSIBILITIES

3.1 Each of the responsibilities set out in this rule is a *small non-directive insurer prescribed responsibility*.

(1A) responsibility for the *firm's* performance of its obligations under the *senior ~~insurance~~ management regime*;

...

Annex Z

Amendments to the

Non-Solvency II Firms – Conduct Standards Part

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

1 APPLICATION AND DEFINITION

1.1 This Part applies:

...

(2) in relation to a *small non-directive insurer*, to any person who is:

...

(e) an *employee* who is performing a function that would have been a *controlled function* but for Non-Solvency II Firms – Senior ~~Insurance~~ Management Functions 2.3.

...

Annex AA

Amendments to the

Non-Solvency II Firms – Fitness and Propriety Part

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

1 APPLICATION AND DEFINITIONS

...

1.2 In this Part, the following definition shall apply:

...

~~disciplinary action~~

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

...

2 FITNESS AND PROPRIETY ASSESSMENTS BY FIRMS

2.1 A firm must ensure that all persons who perform a PRA senior insurance management function or a certification function are fit and proper persons.

2.2 In deciding whether a person is fit and proper pursuant to 2.1, a firm must be satisfied that the person:

...

required to enable such person to perform his or her PRA senior insurance management function or a certification 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.

2.3 Before deciding, and in considering on an on-going basis, whether a person is fit and proper pursuant to 2.1 and 2.2, a firm must consider the person's past business conduct, including whether the person performs his or her PRA senior insurance management functions or certification functions in accordance with the relevant conduct standards specified in Non-Solvency II Firms - Conduct Standards 2.

2.4 In deciding whether a person (P) is fit and proper to perform a PRA senior insurance management function, a firm must:

...

2.4A(1) Before deciding whether a person (P) is fit and proper to be appointed as a PRA senior insurance management function holder or to perform a certification function a firm must take reasonable steps to obtain appropriate references covering the past six years from 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 *key function holder*, *PRA senior ~~insurance~~ management function holder*, 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*;

...

- (3) When making a *PRA senior ~~insurance~~ management approval application*, a *firm* must take reasonable steps to obtain references in accordance with (1) and (2):

...

- 2.5 If a *firm* previously obtained the information required by 2.4 to 2.4B when it determined that a *PRA senior ~~insurance~~ management function holder* or a person performing a *certification function* was fit and proper for the purposes of this Part, and the *firm* engages that *person* for a continuous period of time, the *firm* is not required to comply with 2.4 to 2.4B again in respect of any subsequent appointments at the same *firm* within that continuous period.

3 REGULATORY REFERENCES

- 3.1 (1) If any *PRA-authorized person* (A):
 - (a) is considering issuing a *certificate* to, making a *PRA senior management approval 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);

...

4 DISCLOSURE AND REPLACEMENTS

- 4.1 A *firm* must ensure that any application it makes for the approval of a *person* to perform a *PRA senior ~~insurance~~ management function* provides the *PRA* with:
 - ...
- 4.2 If a *firm* becomes aware of information which would reasonably be expected to be material to the assessment of a current or former *PRA senior ~~insurance~~ management function holder's* fitness and propriety under this Part, it must inform the *PRA* as soon as practicable.
- 4.3 If a *firm* becomes aware of a significant change to a *PRA senior ~~insurance~~ management function holder's* responsibilities, it must inform the *PRA* as soon as practicable.
- 4.4 Where a *firm* replaces a *PRA senior ~~insurance~~ management function holder* because the *firm* considers that that *person* no longer fulfils the requirements in 2.2, the *firm* must notify

the *PRA* as soon as reasonably practicable.

...

Annex AB
Amendments to the
Non-Solvency II Firms – Governance Part

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

4 GOVERNANCE FOR NON-DIRECTIVE FRIENDLY SOCIETIES

...

- 4.9 A *firm* must within the period of 6 months beginning with the end of each *financial year* make and send to the *PRA* a statement of their opinion whether the requirements of 4.6 to 4.8 have been complied with in respect of that year by the *firm* and the statement must be signed by the chairman on behalf of the *governing body* and by the chief executive.

...

Annex AC

Amendments to the

Non-solvency II Firms - Run-off Firms Part

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

1 APPLICATION AND DEFINITIONS

...

1.2 In this Part, the following definitions shall apply:

application rules

means the specifications within:

(1) Non-Solvency II Firms - Senior ~~Insurance~~ Management Functions 1.1;

...

(4) Non-Solvency II Firms - Senior ~~Insurance~~ Managers Regime - Applications and Notifications 1.1.

...

Solvency II rules

means the PRA rules in the Valuation, Technical Provisions, Own Funds, Solvency Capital Requirement – General Provisions, Solvency Capital Requirement – Standard Formula, Solvency Capital Requirement – Internal Models, Minimum Capital Requirement, Undertakings in Difficulty, Investments, Composites, Conditions Governing Business, Insurance Special Purpose Vehicles, Group Supervision, Reporting, Surplus Funds, With-Profits, Insurance – Conduct Standards, Insurance – Senior ~~Insurance~~ Management Functions, Insurance – Allocation of Responsibilities and Insurance – Fitness and Propriety Parts of the Solvency II Firms Sector of the PRA Rulebook.

2 TRANSITIONAL APPLICATION OF RULES IN RELATION TO RUN-OFF FIRMS

2.1 Notwithstanding the application rules, the following Parts apply to a *run-off firm* for so long as it remains a *run-off firm*:

(1) Non-Solvency II Firms - Senior ~~Insurance~~ Management Functions;

...

(4) Non-Solvency II Firms - Senior ~~Insurance~~ Managers Regime - Applications and Notifications.

...

Annex AD

Amendments to the Non-Solvency II Firms – Senior Insurance Management Functions Part

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

Part

Non-Solvency II Firms – Senior ~~Insurance~~ Management Functions

Chapter content

...

1 APPLICATION AND DEFINITIONS

1.2 In this Part, the following definitions shall apply:

...

~~Small Insurer~~ Chief Actuary function

has the meaning given in 4.1.

...

~~Small Insurer~~ With-Profits Actuary function

has the meaning given in 5.1.

2 GENERAL

2.1 Each of the functions in 3 to 5 is a *controlled function* and a PRA senior ~~insurance~~ management function.

2.2 PRA ~~Senior insurance~~ management function holders must be approved by the PRA to perform the applicable PRA senior ~~insurance~~ management function.

2.3 To the extent that:

...

(2) the appointment is solely to provide cover for a PRA senior ~~insurance~~ management function holder whose absence is:

...

the description of the applicable PRA senior ~~insurance~~ management function does not relate to those activities of that *person*.

2.4 If, in relation to a *firm*:

(1) a PRA senior insurance management function holder also performs *FCA activities*, performance of the PRA senior insurance management function will include the performance of those *FCA activities*, provided the following conditions are met:

- (a) the *PRA's* approval to perform that PRA senior insurance management function has been granted and continues in force;

...

(2) a PRA senior insurance management function holder has been performing *FCA activities* in the circumstances set out in (1), and that person:

- (a) ceases to perform the PRA senior insurance management function;
- (b) within three months of ceasing performance, is approved to perform a new PRA senior insurance management function at the firm; and
- (c) continues to perform the *FCA activities*,

performance of the new PRA senior insurance management function will include the performance of those *FCA activities*, provided the conditions in (1) (a) to (d) are met.

2.5 If a PRA senior insurance management function holder to whom 2.4 applies ceases to perform a PRA senior insurance management function but continues to perform the *FCA activities*, 2.4 will continue to apply in respect of the performance of the *FCA activities* until the earlier of:

...

- (2) three months from the time that the person ceased to perform that PRA senior insurance management function.

3 SMALL INSURER SENIOR MANAGEMENT FUNCTION

3.1 The *Small Insurer Senior Management function* (SIMF 25) is the function of:

...

4 SMALL INSURER CHIEF ACTUARY FUNCTION

4.1 The ~~Small Insurer~~ *Chief Actuary function* (SIMF 20) is the function of having responsibility for the function specified in Non-Solvency II Firms – Actuarial Requirements 5.1 in relation to a *small non-directive insurer*.

5 ~~SMALL INSURER WITH-PROFITS ACTUARY FUNCTION~~

- 5.1 The ~~Small Insurer With-Profits Actuary function~~ (SIMF 240A) is the function of having responsibility for the function specified in Non-Solvency II Firms – Actuarial Requirements 6.1 in relation to a *small non-directive insurer*.

Annex AE

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.

Part

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

Chapter content

1 APPLICATION AND DEFINITIONS

...

1.2 In this Part, the following definitions shall apply:

...

current approved person approval

means

(1) an approval granted to a *person* under section 59 of *FSMA* (Approval for particular arrangements):

(a) by the *PRA* for the performance of a *PRA senior management function* ~~or senior insurance management function~~; or

...

(2) a deemed approval given by:

(a) the *PRA* following the submission of a conversion grandfathering notification ~~under~~; or

~~(i) Senior Insurance Managers Regime – Transitional Provisions;~~

~~(ii) Large Non-Solvency II Firms – Senior Insurance Managers Regime – Transitional Provisions; or~~

~~(iii) Non-Solvency II Firms – Senior Insurance Managers Regime – Transitional Provisions; or~~

~~(iv) Senior Managers Regime—Transitional Provisions; or~~

- (b) the *FCA* under any ~~equivalent~~ relevant rules in the *FCA Handbook*; or

...

~~grandfathering notification~~

has the meaning given in ~~Large Non-Solvency II Firms—Senior Insurance Managers Regime—Transitional Provisions~~ ~~Senior Insurance Managers Regime—Transitional Provisions~~.

...

~~senior insurance management approval application~~

means an application for approval to perform a ~~senior insurance management function~~ under ~~section 59 of the FSMA~~.

...

2 APPLICATION TO PERFORM A SENIOR ~~INSURANCE~~ MANAGEMENT FUNCTION

- 2.1 The *PRA* directs that a *firm* must make a *PRA* senior ~~insurance~~ management approval application in accordance with 2.2, before the activities requiring approval commence.
- 2.2 The *PRA* directs that a *firm* must use Form A (long form) for a *PRA* senior ~~insurance~~ management approval application unless:
- ...
- 2.3 The *PRA* directs that, subject to 2.4 and 2.5, a *firm* must use Form E for a *PRA* senior ~~insurance~~ management approval application if it is being made in respect of a *person* who has a *current approved person approval* and is either:
- (1) ceasing to perform a ~~*PRA* senior management function~~ ~~or *senior insurance management function*~~ and taking up a new *PRA* senior ~~insurance~~ management function for the same *firm* or another member of its *group*; or
 - (2) ceasing to perform a *significant influence function* and taking up a *PRA* senior ~~insurance~~ management function for the *firm* or another member of its *group*.
- 2.4 The *PRA* directs that a *firm* must not use Form E for a *PRA* senior ~~insurance~~ management approval application if:
- ...
- (3) any of the circumstances in 4.2(2)(a) to (d) apply in relation to:
- ...
- including if any reference in 4.2(2)(a)–(d) to a ~~*senior insurance management function holder*~~ were read as if it included reference to a *PRA* senior ~~insurance~~ management function holder.

2.5 The *PRA* directs that a *firm* must not use Form E if the *person* to whom the *PRA senior insurance management approval application* relates:

...

2.6 (1) The *PRA* directs that a *firm* must use Form A (shortened form) for a *PRA senior insurance management approval application* if:

...

- (b) there have been no matters arising in relation to the fitness and propriety of the *person* to whom the *PRA senior insurance management approval application* relates which mean that the information provided to the *FCA* or *PRA* regarding fitness and propriety in connection with a *current approved person approval* may have changed since the application for the *current approved person approval* was made.

...

2.7 The *PRA* directs that the form submitted for a *PRA senior insurance management approval application* must be accompanied by a *statement of responsibilities form*.

3 WITHDRAWAL OF A PRA SENIOR INSURANCE MANAGEMENT APPROVAL APPLICATION

3.1 The *PRA* directs that a *firm* withdrawing an outstanding *PRA senior insurance management approval application* must do so using Form B.

4 CEASING TO PERFORM A SENIOR INSURANCE MANAGEMENT FUNCTION

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

- (a) Form E if a *person* ceases to perform a *PRA senior insurance management function* and the *firm* is also making an application for the same *person* to perform a new *PRA senior management function*; and

...

4.2 (1) A *firm* must notify the *PRA* as soon as practicable after it becomes aware, or has information which reasonably suggests, that it will submit a qualified Form C in respect of a *PRA senior insurance management function holder*.

(2) Form C is qualified if the information it contains:

- (a) relates to the fact that the *firm* has dismissed, or suspended, the *PRA senior insurance management function holder* from its employment;
- (b) relates to the resignation by the *PRA senior insurance management function holder* while under investigation by the *firm*, the *PRA* or any other *regulatory body*;

- (c) includes a notification under any of the provisions set out in 2.4(1); or
- (d) otherwise reasonably suggests that it may affect the *PRA*'s assessment of the *PRA senior insurance management function holder's* fitness and propriety.

5 CHANGE IN DETAILS RELATING TO PRA SENIOR INSURANCE MANAGEMENT FUNCTION HOLDERS

- 5.1 If a *PRA senior insurance management function holder's* title, name or national insurance number changes, the *firm* for which the *person* performs a *PRA senior insurance management function* must notify the *PRA* of that change within seven *business days* of the *firm* becoming aware of the matter, using Form D.
- 5.2 If, in relation to a *firm* which has submitted an application on either Form A (long or shortened form) or Form E, as required by 2.2, any of the details relating to *PRA senior insurance management functions* are to change, the *firm* must notify the *PRA* using Form D as soon as reasonably practicable after the *firm* becomes aware of the proposed change.
- 5.3 If a *PRA senior insurance management function holder* ceases to perform a *PRA senior insurance management function* for a *firm* but continues to perform one or more *PRA senior insurance management functions* for the same *firm*, the *firm* must submit a revised *statement of responsibilities form* for the remaining *PRA senior insurance management function(s)*, along with Form J.

...

7 FORMS

- 7.1
 - (1) Form A (long form) may be found ~~here~~ [here](#).
 - (2) Form A (shortened form) may be found ~~here~~ [here](#).
 - (3) Form B may be found ~~here~~ [here](#).
 - (4) Form C may be found ~~here~~ [here](#).
 - (5) Form D may be found ~~here~~ [here](#).
 - (6) Form E may be found ~~here~~ [here](#).
 - (7) The *statement of responsibilities form* may be found ~~here~~ [here](#).

Annex AF

Amendments to the Glossary

In the Glossary Part of the PRA Rulebook, amend the following definitions where underlining indicates new text and deleted text is struck through.

...

conversion notification

means a notice required to be sent to the PRA under article 2(1) or 11(b) of the Transitional Order including any update to such a notice.

...

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) FIT and APER in the PRA Handbook;
- (5) COCON in the FCA Handbook; and
- (6) APER in the FCA Handbook.

...

PRA senior management approval application

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

PRA senior management function

means a function specified as a ~~controlled function~~ in Senior Management Functions 2 in relation to the carrying on of ~~regulated activity~~ by a firm.

(1) in respect of a CRR firm, a credit union and a third country CRR firm a function specified as a controlled function in Senior Management Functions 2 in relation to the carrying on of regulated activity by a firm.

(2) (in respect of a UK Solvency II firm, the Society, a managing agent, a third country branch undertaking (other than a Swiss general insurer) and a UK ISPV) that aspect of any key function relating to the carrying on of a regulated activity by the firm, which is specified by the PRA in Insurance – Senior Insurance Management Functions 3 to 10 pursuant to section 59 of FSMA.

(3) (in respect of a small non-directive insurer) any function which is specified by the PRA in Non-Solvency II Firms – Senior Insurance Management Functions 3 to 5 pursuant to section 59 of FSMA.

(4) (in respect of a large non-directive insurer and a Swiss general insurer) any function which is specified by the PRA in Large Non-Solvency II Firms – Senior Insurance Management Functions 3 to 8 pursuant to section 59 of FSMA.

PRA senior management function holder

means a person who has been approved to perform a PRA senior management function in respect of the firm.

senior insurance management approval application

means an application for approval to perform a senior insurance management function under section 59 of FSMA.

senior insurance management function

means

(1) (for a UK Solvency II firm, the Society, a managing agent, a third country branch undertaking (other than a Swiss general insurer) and a UK ISPV) that aspect of any key function relating to the carrying on of a regulated activity by the firm, which is specified by the PRA in Insurance – Senior Insurance Management Functions 3 to 10 pursuant to section 59 of FSMA.

(2) (for a small non-directive insurer) any function which is specified by the PRA in Non-Solvency II Firms – Senior Insurance Management Functions 3 to 5 pursuant to section 59 of FSMA.

(3) (for a large non-directive insurer and a Swiss general insurer) any function which is specified by the PRA in Large Non-Solvency II Firms – Senior Insurance Management Functions 3 to 8 pursuant to section 59 of FSMA.

...

senior management application

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

...

...

senior ~~insurance~~ management regime

means the requirements of the *regulatory system*, to the extent applicable to *authorised persons*, insofar as they relate to *approved persons* performing *PRA senior ~~insurance~~ management functions* and *relevant senior management functions*, including those set out in ~~Insurance – Allocation of Responsibilities, Insurance – Fitness and Propriety, Insurance – Senior Insurance Management Functions, Large Non-Solvency II Firms – Allocation of Responsibilities, Large Non-Solvency II Firms – Fitness and Propriety, Large Non-Solvency II Firms – Senior Insurance Management Functions, Non-Solvency II Firms – Allocation of Responsibilities, Non-Solvency II Firms – Fitness and Propriety and Non-Solvency II Firms – Senior Insurance Management Functions.~~

...

statement of responsibilities form

- (1) for a *UK Solvency II firm*, the *Society*, a *managing agent*, a *UK ISPV* and a *third country branch undertaking* (other than a *UK-deposit insurer* or a *Swiss general insurer*), means the form to be completed by a *firm* containing:

...

- (c) in respect of *Insurance – Allocation of Responsibilities 5.5* and for *PRA senior ~~insurance~~ management function holders* only, the information required by section 60(2A) of *FSMA*.

- (2) for a *large non-directive insurer*, means the form to be completed by a *firm* containing:

...

- (b) in respect of *Large Non-Solvency II Firms – Senior ~~Insurance~~ Managers Regime – Applications and Notifications 2.7, 4A.1, 5.3 and 6.3(1)*, the information required by section 60(2A) of *FSMA*; and

- (c) in respect of *Large Non-Solvency II Firms – Allocation of Responsibilities 5.5* and for *PRA senior ~~insurance~~ management function holders* only, the information required by section 60(2A) of *FSMA*.

...

Transitional Order

means the *Financial Services (Banking Reform) Act 2013 (Transitional and Savings Provisions) Order 2015 (SI 2015/492)*.

...

Annex AF

Amendments to the Glossary

In the Glossary Part of the PRA Rulebook, amend the following definitions where underlining indicates new text and deleted text is struck through.

...

Chairman of the Governing Body function

has the meaning given in Senior Management Functions 4.2.

Chairman of Audit Committee function

has the meaning given in Senior Management Functions 4.4.

Chairman of Remuneration Committee function

has the meaning given in Senior Management Functions 4.5.

Chairman of Risk Committee function

has the meaning given in Senior Management Functions 4.3

...