

PRA RULEBOOK: CRR FIRMS, NON-CRR FIRMS, SOLVENCY II FIRMS, NON-SOLVENCY II FIRMS: REGULATORY REFERENCE INSTRUMENT 2016

Powers exercised

- A. The Prudential Regulation Authority (“PRA”) makes this instrument in the exercise of the following powers and related provisions in the Financial Services and Markets Act 2000 (“the Act”):
- (1) section 60 (applications for approval);
 - (2) section 137G (the PRA’s general rules); and
 - (3) section 137T (general supplementary powers).
- B. The rule-making powers referred to above are specified for the purpose of section 138G(2) (rule-making instruments) of the Act.

Pre-conditions to making

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

PRA Rulebook: CRR Firms, Non-CRR Firms, Solvency II Firms, Non-Solvency II Firms: Regulatory Reference Instrument 2016

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

Commencement

- E. This instrument comes into force on 7 March 2016.

Citation

- F. This instrument may be cited as the PRA Rulebook: CRR Firms, Non-CRR Firms, Solvency II Firms, Non-Solvency II Firms: Regulatory Reference Instrument 2016.

By order of the Board of the Prudential Regulation Authority

10 February 2016.

Annex A

This Annex amends the rules made in PS22/15 Appendix 1 (PRA Rulebook: Solvency II Firms: Senior Insurance Managers Regime (No.2) Instrument 2015).

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

Part

INSURANCE – FITNESS AND PROPRIETY

Chapter content

1. APPLICATION AND DEFINITIONS
2. FITNESS AND PROPRIETY ASSESSMENTS BY FIRMS
3. ~~OBLIGATION TO PROVIDE REFERENCES~~ REGULATORY REFERENCES
4. DISCLOSURE AND REPLACEMENTS
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6. FITNESS AND PROPRIETY TRANSITIONAL PROVISIONS

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3 OBLIGATION TO PROVIDE REFERENCESREGULATORY REFERENCES

3.1 If any PRA-authorised person (A):

- (1) is considering issuing a certificate to, making a senior management application in respect of, or appointing as a senior insurance management function holder, a key function holder, a non-executive director, a notified non-executive director or a credit union non-executive director, a person (P);
- (2) makes a request for a reference or other information in respect of P from a firm to which this Part applies (B), in B's capacity as:
 - (a) P's current or former employer; or
 - (b) an organisation at which P is or was a member of the governing body; and
- (3) indicates to B the purpose of the request;

B must, as soon as reasonably practicable, provide a reference and disclose to A in the reference all information of which B is aware that is relevant to A's assessment of whether P is fit and proper.

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Annex B

This Annex amends the rules made in PS 26/15 ('PRA Rulebook: Non-Solvency II Firms: Large Non-Solvency II Firms – Senior Insurance Managers Regime Instrument 2015').

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

Part

LARGE NON-SOLVENCY II FIRMS – FITNESS AND PROPRIETY

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5. FITNESS AND PROPRIETY TRANSITIONAL PROVISIONS

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3 ~~OBLIGATION TO PROVIDE REFERENCES~~ REGULATORY REFERENCES

3.1 ~~[Not yet in force]~~ If any *PRA-authorised person* (A):

(1) _____ is considering issuing a *certificate* to, making a *senior management application* in respect of, or appointing as a *senior insurance management function holder*, a *key function holder*, a *non-executive director*, a *notified non-executive director* or a *credit union non-executive director*, a *person* (P);

(2) _____ makes a request for a reference or other information in respect of P from a *firm* to which this Part applies (B), in B's capacity as:

(a) _____ P's current or former employer; or

(b) _____ an organisation at which P is or was a member of the *governing body*; and

(3) _____ indicates to B the purpose of the request;

B must, as soon as reasonably practicable, provide a reference and disclose to A in the reference all information of which B is aware that is relevant to A's assessment of whether P is fit and proper.

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Annex C

This Annex amends the rules made in PS 26/15 (PRA Rulebook: Non-Solvency II Firms: Senior Insurance Managers Regime – Technical Rules and Actuarial Functions Instrument 2015’).

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

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NON-SOLVENCY II FIRMS - FITNESS AND PROPRIETY

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2. FITNESS AND PROPRIETY ASSESSMENTS BY FIRMS
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5. FITNESS AND PROPRIETY TRANSITIONAL PROVISIONS

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3 OBLIGATION TO PROVIDE REFERENCES REGULATORY REFERENCES

3.1 If any PRA-authorised person (A):

- (1) is considering issuing a *certificate* to, making a *senior management application* in respect of, or appointing as a *senior insurance management function holder*, a *key function holder*, a *non-executive director*, a *notified non-executive director* or a *credit union non-executive director*, a person (P);
- (2) makes a request for a reference or other information in respect of P from a *firm* to which this Part applies (B), in B's capacity as:
 - (a) P's current or former employer; or
 - (b) an organisation at which P is or was a member of the *governing body*; and
- (3) indicates to B the purpose of the request;

B must, as soon as reasonably practicable, provide a reference and disclose to A in the reference all information of which B is aware that is relevant to A's assessment of whether P is fit and proper.

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Annex D

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

Part

FITNESS AND PROPRIETY

Chapter content

1. APPLICATION AND DEFINITIONS
2. FITNESS AND PROPRIETY ASSESSMENTS BY FIRMS
3. CONDUCT STANDARDS
4. NOTIFIED NON-EXECUTIVE DIRECTORS – NOTIFICATIONS
5. ~~REGULATORY REFERENCES – not yet in force~~
6. FITNESS AND PROPRIETY TRANSITIONAL PROVISIONS

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5 ~~REGULATORY REFERENCES – not yet in force~~

5.1 If any PRA-authorised person (A):

- (1) is considering issuing a certificate to, making a senior management application in respect of, or appointing as a senior insurance management function holder, a key function holder, a non-executive director, a notified non-executive director or a credit union non-executive director, a person (P);
- (2) makes a request for a reference or other information in respect of P from a firm to which this Part applies (B), in B's capacity as:
 - (a) P's current or former employer; or
 - (b) an organisation at which P is or was a member of the governing body;
- (3) indicates to B the purpose of the request,

B must, as soon as reasonably practicable, provide a reference and disclose to A in the reference all information of which B is aware that is relevant to A's assessment of whether P is fit and proper.

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