

**PRA RULEBOOK: CRR FIRMS, NON CRR FIRMS: SENIOR MANAGERS REGIME AMENDMENT  
INSTRUMENT (No. 2) 2017**

**Powers exercised**

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

**Pre-conditions to making**

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

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

**Commencement**

- E. The Annexes to this instrument come into force on 12 November 2017.

**Citation**

- F. This instrument may be cited as the PRA Rulebook: CRR Firms, Non CRR Firms: Senior Managers Regime Amendment (No. 2) Instrument 2017.

By order of the Prudential Regulation Committee

**26 September 2017**

## Annex A

### Amendments to the Senior Managers Regime - Applications and Notifications Part

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

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## **2 APPLICATION TO PERFORM A PRA SENIOR MANAGEMENT FUNCTION**

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### 2.7

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

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## **8 FORMS**

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

## Annex B

## Amendments to Forms

In the following amendments, new text has been underlined and deleted text is struck through.

## Form A (long form and short form)

**3.02** For applications from a single *firm*, please tick the boxes that correspond to the *senior management functions* to be performed. If the *senior management functions* are to be performed for more than one *firm*, please go to question **3.04**

Function	Description of a Senior Management Function	Tick (if applicable)	Effective Date
SMF 1	Chief Executive function		
SMF 2	Chief Finance function		
SMF 3	Executive Director		
SMF 4	Chief Risk function		
SMF 5	Head of Internal Audit		
SMF 6	Head of Key Business Area		
SMF 7	Group Entity Senior Manager		
SMF 8	Credit Union SMF		
SMF 9	Chairman		
SMF10	Chair of the Risk Committee		
SMF11	Chair of the Audit Committee		
SMF12	Chair of the Remuneration Committee		
SMF13	Chair of the Nomination Committee		
SMF14	Senior Independent Director		
SMF16	Compliance Oversight		
SMF17	Money Laundering Reporting		

The above question(s) should be completed whether submission of this form is online or in one of the other in SUP 15.7 or in 'Senior Managers Regime – Applications and Notifications' in the PRA Rulebook.

Function	Description of a Senior Management Function	Tick (if applicable)	Effective Date
SMF18	Other overall responsibility function		
SMF19	Head of Overseas Branch		
SMF22	Other local responsibility function		
<u>SMF24</u>	<u>Chief Operations function</u>		

**Form E**

**4.02** For applications from a single *firm*, please tick the boxes that correspond to the *senior management functions* to be performed.

If the *senior management functions* are to be performed for more than one *firm*, please go to question 4.04

Function	Description of a Senior Manager function	Tick applicable) (if	Effective Date
SMF 1	Chief Executive function		
SMF 2	Chief Finance function		
SMF 3	Executive Director		
SMF 4	Chief Risk function		
SMF 5	Head of Internal Audit		
SMF 6	Head of Key Business Area		
SMF 7	Group Entity Senior Manager		
SMF 8	Credit Union SMF (small Credit Unions only)		
SMF 9	Chairman		
SMF10	Chair of the Risk Committee		
SMF11	Chair of the Audit Committee		
SMF12	Chair of the Remuneration Committee		
SMF13	Chair of the Nominations Committee		
SMF14	Senior Independent Director		
SMF16	Compliance Oversight		
SMF17	Money Laundering Reporting		
SMF18	Other overall responsibility function		
SMF19	Head of Overseas Branch		
SMF 21	EEA Branch Senior Manager function		
SMF22	Other local responsibility function		
<u>SMF24</u>	<u>Chief Operations function</u>		

### Statement of responsibilities

3.1.2 List all *senior management functions* which the *approved person* is to perform and the effective date the *person* commenced or will commence the performance of the functions.

**The above question(s) should be completed whether submission of this form is online or in one of the other ways set out in SUP15.7 or in 'Senior Managers Regime - Applications and Notifications' in the PRA Rulebook**

SMF	Description	Tick SMF applied for or held	Effective Date
SMF1	Chief Executive function		
SMF2	Chief Finance function		
SMF3	Executive Director		
SMF4	Chief Risk function		
SMF5	Head of Internal Audit		
SMF6	Head of Key Business Area		
SMF7	Group Entity Senior Manager		
SMF8	Credit Union SMF (small Credit Unions only)		
SMF9	Chairman		
SMF10	Chair of the Risk Committee		
SMF11	Chair of the Audit Committee		
SMF12	Chair of the Remuneration Committee		
SMF13	Chair of the Nominations Committee		
SMF14	Senior Independent Director		
SMF16	Compliance Oversight		
SMF17	Money Laundering Reporting		
SMF18	Other Overall Responsibility function		
<u>SMF24</u>	<u>Chief Operations function</u>		

### 3.2 Prescribed Responsibilities

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Ref	Prescribed Responsibility (Applicable to all firms except small firms)	Does this prescribed responsibility apply?	Is this prescribed responsibility shared?
r	The firm's recovery plan and resolution pack and overseeing the internal processes regarding their	Yes / No	Yes / No
s	Responsibility for managing the firm's internal stress-tests and ensuring the accuracy and timeliness of information provided to the PRA and other regulatory bodies for the purposes of stress-testing;	Yes / No	Yes / No
t	Responsibility for the development and maintenance of the firm's business model by the governing body;	Yes / No	Yes / No
u	Responsibility for the firm's performance of its obligations under <i>Fitness and Propriety</i> (in the PRA Rulebook) in respect of its notified non-executive directors	Yes / No	Yes / No
u-av	Responsibility for the firm's performance of its obligations under the Outsourcing part of the Rulebook	Yes / No	Yes/ No

#### Statement of responsibilities (third country CRR firms)

3.1.2 List all *senior management functions* which the *approved person* is to perform and the effective date the *person* commenced or will commence the performance of the functions.

The above question(s) should be completed whether submission of this form is online or in one of the other ways set out in SUP15.7 or in 'Senior Managers Regime - Applications and Notifications' in the PRA Rulebook

SMF	Description	Tick SMF applied for or held	Effective Date
SMF2	Chief Finance function		
SMF3	Executive Director		
SMF4	Chief Risk function		
SMF5	Head of Internal Audit		
SMF7	Group Entity Senior Manager		
SMF16	Compliance Oversight		
SMF17	Money Laundering Reporting		
SMF19	Head of Overseas Branch		
SMF22	Other local responsibility function		
<u>SMF24</u>	<u>Chief Operations function</u>		

### 3.2 Prescribed Responsibilities

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Ref	Prescribed Responsibility (Applicable to all firms)	Does this prescribed responsibility apply?	Is this prescribed responsibility shared?
za	Responsibility for the branch's performance of its obligations under the senior management regime	Yes No	Yes No
zb	Responsibility for the branch's performance of its obligations under the employee certification regime	Yes No	Yes No
zc	Responsibility for compliance with the requirements of the regulatory system about the management	Yes No	Yes No
zd	Responsibility for management of the UK branch's risk management processes in the UK	Yes No	Yes No
ze	Responsibility for the branch's compliance with the UK regulatory system applicable to the branch	Yes No	Yes No
zf	Responsibility for the escalation of correspondence from the PRA, FCA and other regulators in respect of the branch to the governing body and/or the management	Yes No	Yes No
zg	Local responsibility for the branch's policies and procedures for countering the risk that the branch	Yes No	Yes No
zh	Local responsibility for the branch's compliance with CASS	Yes No	Yes No
zi	Responsibility for management of the branch's systems and controls in the UK	Yes No	Yes No
zj	Responsibility for the allocation of all UK branch prescribed responsibilities	Yes No	Yes No
zk	Responsibility for the management of the branch's liquidity or, where a liquidity waiver is in place, the	Yes No	Yes No
zl	Responsibility for the production and integrity of the branch's financial information and its regulatory	Yes No	Yes No
zm	Responsibility for the branch's performance of its obligations under the Outsourcing part of the Rulebook	Yes No	Yes No