

Bank of England PRA

Appendix 8: Summary of changes on booking models

| Issue | | PS para | SS para |
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| Respondents expressed concern at the potential conflict between the PRA's and other regulators' expectations of booking arrangements. Respondents suggested a trilogue or arbitration approach might be appropriate. | | 3.4-3.10 | 4.24B |
| Respondents asked whether there would be scope for Frequently Asked Questions type communications as future developments occurred. | | 3.11 | |
| Respondents asked about the implementation timeline and sought confirmation that the expectations would not be applied retrospectively | | 3.12-3.16 | |
| Respondents raised questions regarding the clarity with which the scope of application of expectations is described. On the specific points raised here: | | 3.18-3.19, 3.22 | |
| | Extending the formal scope of the booking expectations to UK trading banks | 3.20 | 1.1, 4.24B |
| | To clarify the geographical scope, especially in the context of branches | 3.20-2.21 | 1.1, |
| | | 3.23 | 1.1A, |
| | To clarify the activities covered | 3.24-3.26 | 4.24B, 4.25D, 4.25G, |
| | To clarify other aspects of terminology used | | 4.25H 4.25AE, 4.25P |
| The respondents asked whether activities covered by Article 21C CRD6 might also be covered by SS5/21 | | 3.27-3.30 | 4.24B |

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| Respondents raised a number of questions on what to notify in terms of materiality and how this process should work. | 3.31-3.34 | 4.25B-4.25D |
| Respondents noted that given the differences between regulators' expectations, split desks may result more as an acceptable outcome. | 3.35-3.37 | 4.25D, 4.25M, 4.45M-N |
| Respondents asked for more clarity on what was expected for the single consolidated risk function for split desks. They also asked about what was expected on collateral pooling. | 3.38-3.46 | 4.25Nd) |
| Comments regarding the underlying currency of denomination and market liquidity | 3.47-3.48 | 4.25Dd) |
| Respondents asked that the PRA clarify the use of terms for products and instruments | 3.50-3.51 | 4.25B Annex |
| Respondents asked that the PRA clarify some of the language around the expectations on remote booking | 3.52-3.54 | 4.25P, 4.25Db)-c) |
| Intra-firm booking. Some respondents noted that they did not define intra-firm transfers as part of remote booking. | 3.55 | Annex |
| Respondents asked for more clarity on the definitions of metrics to be used in presenting information on proposed booking changes | 3.57-3.62 | 4.25Dc) |
| Respondents raised questions on trader controls regarding the delegation of particular functions to non-trading staff and regarding some of the changes to the language. | 3.63-3.64 | 4.25 J, L |
| Respondents expressed a concern that pre-existing control weaknesses should be material if they are to hold up agreement to a booking model change. | 3.65-3.69 | 4.25De) |
| Respondents asked if there was any conflict between the PRA and the FCA's expectations in this area, especially on branches. | 3.70-3.71 | |
| There were some queries on the status of the Annex material | 3.72-3.73 | |