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**Application for Authorisation**

**MIFIDPRU Supplement Form**

**Legal name of applicant firm**

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**Important information you should read before completing this form**

This supplement form must be completed by all UK MiFID investment firms. It complements the MiFID Authorisation form and MiFID Annex form, and allows the applicant firm to provide financial information required by the relevant MiFID II RTS (as defined below).

UK MiFID investment firms are subject to a new prudential regime (the Investment Firm Prudential Regime or IFPR) from 1 January 2022. This regime is primarily contained in the MIFIDPRU section of the FCA Handbook. This form therefore asks for various information which we need to assess whether the applicant firm (and its investment firm group, if it has one) satisfies the requirements in MIFIDPRU, and to prepare for the ongoing supervision of the firm.

Where we refer in the supplement form to “MiFID authorisation process/application” we mean the process/application whereby a firm becomes subject to MiFID for the first time. This includes new firm authorisations and variations of permission.

We use the term “MIFIDPRU investment firm” in this form to refer to a firm that is subject to MIFIDPRU, because this is the term that is used in the MIFIDPRU sourcebook. In other contexts, we use other terms to refer to this population of firms – for example, the MiFID Annex form generally uses “UK MiFID investment firm” and some parts of the Handbook refer to “MiFID investment firms” instead.

Fund managers that carry on MiFID activities (such as “AIFM investment firms”, “UCITS investment firms” or small AIFMs that also carry on MiFID activities as MiFID investment firms) should complete this supplement as they will be subject to MIFIDPRU.

The following types of firm are not subject to MIFIDPRU, and should not complete this supplement:

1. Non-UK MiFID investment firms;
2. Article 3 MiFID exempt firms.

The notes that accompany this Supplement will help you complete the questions: <https://www.fca.org.uk/publication/forms/mifidpru-supplement-notes.docx>

There is more information about the IFPR and MIFIDPRU on our [website](https://www.fca.org.uk/firms/investment-firms-prudential-regime-ifpr).

**Terms in this application pack**

In this application pack we use the following terms:

* 'you' refers to the person(s) signing the form on behalf of the applicant firm
* 'the applicant firm' refers to the firm applying for authorisation
* ‘we’, ‘us’, ‘our’ or ‘FCA’ refers to the Financial Conduct Authority
* ‘PRA’ refers to the Prudential Regulation Authority
* ‘MiFID’ refers to the UK law implementing the Markets in Financial Instruments Directive (Directive 2014/65/EU of the European Parliament and of the Council)
* ‘RTS’ refers to the UK version of the Regulatory Technical Standard (EU) 2017/1943 of 19 June 2017:

<https://www.handbook.fca.org.uk/techstandards/MIFID-MIFIR/2017/reg_del_2017_1943_oj/?view=chapter>

* ‘MIFIDPRU’ refers to the new single prudential sourcebook for MIFID investment firms
* ‘IFPR’ refers to the new Investment Firms Prudential Regime which will be contained primarily in MIFIDPRU
* ‘OTF’ refers to Organised Trading Facility
* ‘UK CRR’ means the UK version of the Capital Requirements Regulation (575/2013), which applied to certain investment firms prior to 1 January 2022

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| 1 | MIFIDPRU categorisation |

 1.1 What category of MIFIDPRU investment firm does the applicant firm expect to be upon authorisation?

[ ]  Small and non-interconnected firm (SNI)

[ ]  Non-SNI firm

Non-SNI firms

 1.2 Please confirm which of the following criteria would result in the applicant firm being categorised as a non-SNI (please tick all that apply)

[ ]  The applicant firm’s average AUM is expected to be equal or greater than £1.2bn (combined/group basis)

[ ]  The applicant firm’s average COH is expected to be equal or greater than £100m per day for cash trades and or equal or greater than £1bn per day for derivatives trades (combined/group basis)

[ ]  The applicant firm will hold client money and/or safeguard client assets in the course of its MIFID business, so its average ASA/average CMH is expected to be greater than zero

[ ]  The applicant firm’s on- and off-balance sheet total is expected to be £100 million or more (combined/group basis)

[ ]  The applicant firm’s total annual gross revenue from investment services and/or activities is expected to be £30m or greater (combined/group basis)

[ ]  The applicant is applying for permission to deal on own account/its average DTF is expected to be greater than zero

[ ]  The applicant firm intends to be a clearing member or an indirect clearing firm

[ ] [ ]  The applicant firm will act as a depositary of a relevant AIF/UCITS

 1.3 Please confirm if at the point of authorisation the applicant firm expects to meet the conditions in MIFIDPRU 7.1.4R(1) and SYSC 19G.1.1R(2) and hence will not need to apply the requirements to establish certain committees or the additional remuneration requirements.

[ ]  No

[ ]  Yes

 1.4 Please confirm the applicability of the following thresholds to the applicant firm at the point of authorisation (please tick all that apply):

1. The average value of the firm’s on-balance sheet assets and
off-balance sheet items is expected to be:
	1. £100m or less [ ]
	2. More than £100m but less than £300m [ ]
	3. More than £300m [ ]
2. The exposure value of the firm’s on- and off-balance [ ]
sheet trading book business is expected to be over
£150m
3. The exposure value of the firm’s on- and off-balance [ ]
sheet derivatives business is expected to be over
£100m

SNI firms

 1.5 Does the applicant firm expect to become a non-SNI firm within 12 months of being authorised?

[ ]  No

[ ]  Yes4Please explain why the applicant firm has this expectation

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SNI categorisation of investment firm group

 1.6 Is the applicant firm part of an investment firm group?

[ ]  Yes

[ ]  No 4Please continue to Section 2.

 1.7 What is expected to be the SNI status of the investment firm group at the time the applicant firm is authorised (on the basis of a consolidated situation of the UK parent entity)?

[ ]  SNI

[ ]  Non-SNI 4If the applicant firm expects to be categorised as an SNI, please explain what makes the investment firm group it is a part of a non-SNI

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[ ]  Not applicable, the group has permission to apply group capital test (GCT), instead of prudential consolidation

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| 2 | Information on the applicant firm’s capital and liquidity |

Permanent minimum capital requirement

 **2.1 Please confirm the permanent minimum capital requirement (PMR) that will apply to the applicant firm if it is granted permission to undertake its proposed activities.**

[ ]  £4,000,000

[ ]  £750,000

[ ]  £150,000

[ ]  £75,000

Own funds composition

 **2.2 Please state the gross amount of each tier of capital that the applicant firm will hold at the authorisation date.**

| **Source** | **Amount (£)**  |
| --- | --- |
|  |  |
| Common Equity Tier 1 (CET1) capital (MIFIDPRU 3.3) |       |
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| Additional Tier 1 (AT1) capital (MIFIDPRU 3.4) |       |
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| Tier 2 (T2) capital (MIFIDPRU 3.5) |       |
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| **Total** |       |

 **2.3 In order for the applicant firm to be able to classify its capital instruments as CET1 instruments under MIFIDPRU 3.3, it must seek our permission by submitting the below form as part of this application.**

[Application under MIFIDPRU 3.3.3R for permission to classify an issuance of capital instruments as common equity tier 1 (CET1) capital](https://www.fca.org.uk/publication/forms/mifidpru-3-3-3r.docx)

[ ]  Attached

 **2.4 This question only applies if the applicant firm is already trading.**

 **Please confirm if the applicant firm wishes to include interim or year-end profits as CET1 capital where a formal decision confirming the final profit and loss for the year has not yet been taken.**

[ ]  No

[ ]  Yes 4 Please submit the below application form as part of authorisation process.

[Application under MIFIDPRU 3.3.2R for permission to include interim or year-end profits as common equity tier 1 (CET1) capital](https://www.fca.org.uk/publication/forms/mifidpru-3-3-2r.docx)

[ ]  Attached

 **2.5 For each AT1 and/or T2 capital instrument included in response to question 2.2 (if any):**

 **a. Please confirm the type and name of the instrument, and whether the instruments have been or will be issued to external investors or only to other members of the firm’s group and connected parties**

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**b. Please provide details of any features of the capital instrument which are novel, unusual or different from a capital instrument of a similar nature previously issued by the firm or widely available in the market**

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**c. Please attach a copy of the term sheet(s)**

[ ]  Attached

**d. Please attach a legal opinion from an appropriately qualified individual, confirming that the capital instruments meet the conditions in MIFIDPRU 3.4 or MIFIDPRU 3.5 (as applicable, and including any conditions in the UK CRR applied by those sections)**

[ ]  Attached

 **2.6 What type of firm is the applicant firm?**

|  |  |  |  |
| --- | --- | --- | --- |
| [ ]  | Limited company | You must attach a Companies House form (SH01) | [ ]  Attached[ ]  Applicant firm not yet capitalised |
| [ ]  | Partnership | You must attach the following:Statements of personal assets and liabilities (see notes) (1 per partner)Statement of partnership business assets and liabilities (see notes) (1 only)A copy of Partnership agreement deeds | [ ]  Attached[ ]  Attached[ ]  Attached |
| [ ]  | Limited liability partnership | You must attach the LLP agreement, including the members’ capital agreement  | [ ]  Attached |
| [ ]  | Sole trader | You must attach the following:Statement of personal assets and liabilities (see notes) Statement of business assets and liabilities (see notes) | [ ]  Attached[ ]  Attached |
| [ ]  | Other | You must attach details of the applicant firm’s constitution | [ ]  Attached |

 **2.7 Is the applicant firm currently trading?**

[ ] [ ]  No4Continue to Question 2.8

[ ]  Yes4You must provide the applicant firm’s end of year accounts for the last 3 years or since the beginning of the activity, and most recent management accounts. This should include the following:

Balance Sheet [ ]  Attached

Profit and Loss accounts [ ]  Attached

Audited annual reports [ ]  Attached

 [ ]  Not applicable

A report by the company auditor of the last [ ]  Attached

 3 years or since the beginning of the activity [ ]  Not applicable

 Most recent management accounts [ ]  Attached

Forecast financial performance

 **2.8 You are required to provide the following forecast information for the applicant firm in Excel format**

[ ] A forecast balance sheet for the first 3 business years [ ]  Attached

A forecast monthly profit and loss accounts for the first [ ]  Attached
year and then a year end account for business
years 2 and 3.

As a minimum, the profit and loss forecast must disclose the following on a monthly basis:

i. gross income, analysed between regulated and un-regulated activities and showing clearly the assumptions being made in each case which result in that forecasted income

ii. business expenditure, relevant annual expenditure, analysis of the
major overheads expenditure, and

iii. profit before taxation

A monthly cash flow forecast for the first business year [ ]  Attached
which is in line with the actual fees due and expected
receipt dates, and then a year end cash flow forecast
for years 2 and 3

Forecast own funds vs. regulatory requirements

 **2.9 You are required to provide the following forecast information for the applicant firm in Excel format:**

Monthly calculations of the applicant firm's own funds against its own funds requirement and own funds threshold requirement, demonstrating how the former meets the latter, projected over a one-year period after authorisation.

This must include:

i. calculations of own funds requirement under MIFIDPRU 4 (the higher of the PMR, the FOR or, if applicable, the KFR),

ii. summary of own funds threshold requirement under MIFIDPRU 7 (we would expect to find detailed calculations in the firm’s ICARA document)

iii. detailed calculations of capital tiers, clearly showing items being excluded or deducted from own funds, if applicable (MIFIDPRU 3),

iv. details of the assumptions on which the above calculations are based, an, if applicable, explanations of how the applicant firm applies the KFRs to an activity.

[ ]  Attached

Forecast liquid assets vs. regulatory requirements

 **2.10 You are required to provide the following forecast information for the applicant firm in Excel format:**

Monthly calculation of the applicant firm's core and non-core liquid assets against its basic liquid assets requirement and its liquid assets threshold requirement, demonstrating how the former meets the latter, projected over a one-year period after authorisation. This must include working papers showing the assumptions on which the calculations are based.

[ ]  Attached

**2.11 Does the applicant firm have other sources of external funding?**

[ ]  No

[ ]  Yes 4Please provide information on the use or expected use of any other borrowed funds including the name of the relevant lenders and details of the facilities granted or expected to be granted, including maturities, terms, pledges and guarantees, along with information on the borrowed funds (or funds expected to be borrowed) where the lender is not a supervised financial institution

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Standard requirements for OTF operators

 **2.12 Is the applicant firm seeking permission to carry on the regulated activity of operating an OTF?**

[ ]  No4Continue to Section 3

[ ]  Yes

 **2.13 The following limitations apply to the regulated activity of operating an OTF. Which limitations are relevant to the applicant firm?**

Please note that permission to operate an OTF carries an initial capital requirement (ICR) of £750,000. But if the firm is subject to a limitation that prevents it from both matched principal trading and dealing on own account, the associated ICR may be £150,000.

If any of the following limitations are relevant to the applicant firm, they will be included in the applicant firm’s Scope of Permission.

[ ]  Dealing on own account – OTF

‘Unable to engage in dealing on own account, as defined in paragraph 3 of Part 3 of Schedule 2 to the Regulated Activities Order, unless in respect of:

1. sovereign debt instruments for which there is not a liquid market’; or
2. bonds, structured finance products, emission allowances and derivatives, which have not been declared subject to the clearing obligation in accordance with EMIR, when:
3. engaging in ‘matched principal trading’ as defined in the Glossary of defined expressions used in the FCA’s Handbook; and
4. the client has consented to such trading’.

[ ]  Dealing on own account in sovereign debt – OTF

‘Unable to engage in dealing on own account, as defined in paragraph 3 of Part 3 of Schedule 2 to the Regulated Activities Order, unless in respect of sovereign debt instruments for which there is not a liquid market.’

[ ]  Matched principal trading - OTF

‘Unable to engage in dealing on own account, as defined in paragraph 3 of Part 3 of Schedule 2 to the Regulated Activities Order, unless in respect of bonds, structured finance products, emission allowances and derivatives, which have not been declared subject to the clearing obligation in accordance with EMIR, when:

1. engaging in ‘matched principal trading’ as defined in the Glossary of defined expressions used in the FCA’s Handbook; and
2. the client has consented to such trading’.

[ ]  Dealing on own account – OTF (£150,000 PMR)

‘Unable to engage in dealing on own account, as defined in paragraph 3 of Part 3 of Schedule 2 to the Regulated Activities Order.

Notwithstanding MAR 5A.3.5R, this firm is also unable to engage in ‘matched principal trading’ in bonds, structured finance products, emission allowances and derivatives, and is unable to deal on own account in sovereign debt instruments for which there is not a liquid market.’

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| 3 | Information on the group the applicant firm is a part of |

 **3.1 Does the applicant firm form part of a group that meets the MIFIDPRU definition of an investment firm group (as applied for the purpose of MIFIDPRU 2.4)?**

[ ] [ ]  No4Continue to Question 3.18

[ ] [ ]  Yes, the applicant firm forms part of a new investment firm group

[ ]  Yes, the applicant firm forms part of an existing investment firm group already subject to MIFIDPRU

 **Investment firm group composition**

 **3.2 Please confirm the group name and list all relevant group undertakings forming part of the investment firm group. Please provide further information regarding each undertaking in the below table.**[ ]

This section must be completed by all applicant firms regardless of whether prudential consolidation or group capital test apply or are expected to apply.

 **Investment firm group name (if a new investment firm group is being created, we suggest the name of the UK parent entity, plus the word “group”)**

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**Investment firm group composition (if you require more space, please continue on a separate sheet)**

| **FRN (if applicable)** | **Firm Name** | **Type of group undertaking (select one):** | **Sub- type of group undertaking (select one):** | **Location: principal place of business and, separately, place of incorporation, if different (type country name)** |
| --- | --- | --- | --- | --- |
|       |       | [ ]  UK parent entity[ ]  Intermediate parent undertaking[ ]  Subsidiary (non-parent undertaking)[ ]  Connected undertaking | [ ]  PRA designated investment firm[ ]  MIFIDPRU investment firm[ ]  Credit institution[ ]  Other financial institution[ ]  Ancillary services undertaking[ ]  Tied agent |       |
|       |       | [ ]  UK parent entity[ ]  Intermediate parent undertaking[ ]  Subsidiary (non-parent undertaking)[ ]  Connected undertaking | [ ]  PRA designated investment firm[ ]  MIFIDPRU investment firm[ ]  Credit institution[ ]  Other financial institution[ ]  Ancillary services undertaking[ ]  Tied agent |       |
|       |       | [ ]  UK parent entity[ ]  Intermediate parent undertaking[ ]  Subsidiary (non-parent undertaking)[ ]  Connected undertaking | [ ]  PRA designated investment firm[ ]  MIFIDPRU investment firm[ ]  Credit institution[ ]  Other financial institution[ ]  Ancillary services undertaking[ ]  Tied agent |       |
|       |       | [ ]  UK parent entity[ ]  Intermediate parent undertaking[ ]  Subsidiary (non-parent undertaking)[ ]  Connected undertaking | [ ]  PRA designated investment firm[ ]  MIFIDPRU investment firm[ ]  Credit institution[ ]  Other financial institution[ ]  Ancillary services undertaking[ ]  Tied agent |       |

 **3.3 You must attach a group structure chart which clearly shows the investment firm group and the position of each entity in that group.**

[ ] [ ]  Attached

 **3.4 Is any firm in the group subject to regulation by another competent authority?**

[ ]  No 4Continue to Question 3.6

[ ]  Yes

 **3.5 Please identify whether another competent authority is or will be a consolidated supervisor of a group or sub-group that includes the applicant firm after authorisation (please tick all that apply)**

[ ]  The PRA

[ ]  Overseas competent authority4Please specify below

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Group prudential requirements

An investment firm group will be subject to the rules relating to prudential consolidation (MIFIDPRU 2.5) unless the FCA grants permission to use the alternative of the group capital test (MIFIDPRU 2.6).

If the applicant’s investment firm group already has permission to apply the group capital test (GCT), and intends to rely on this permission after the applicant firm is authorised, you must only complete the parts of this section relating to the GCT.

If the applicant’s investment firm group is in the process of applying for permission to use the group capital test, you must complete the parts of this section relating to prudential consolidation. We will consider information relating to the GCT independently as part of your GCT application.

 **3.6 Please confirm whether the investment firm group has, or has applied for, permission to use group capital test (GCT), or intends to apply for this permission within 12 months.**

[ ]  Yes, it holds the GCT permission already

www.fca.org.uk/your-fca/documents/forms/uk-consolidation-form[ ]  Yes, it has submitted an application under MIFIDPRU 2.4.17R with a view to permission being granted as part of the authorisation process of the applicant firm4Please provide application reference number (ARN)

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www.fca.org.uk/your-fca/documents/forms/uk-consolidation-form[ ]  Yes, intends to apply within 12 months post authorisation

[ ]  No

 **3.7 This question applies only if the investment firm group the applicant firm is a part of already holds permission to use the GCT.**

 **Given the nature of the applicant firm’s business activities and relationships, please confirm if it is appropriate for the investment firm group to continue to apply the GCT.**

[ ]  Yes4Please explain why you believe the GCT continues to be appropriate

[ ]  No, prudential consolidation will be applied from when the applicant firm is authorised4Please explain why you believe the GCT will no longer be appropriate

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 **3.8 Please confirm the consolidated permanent minimum capital requirement (PMR) that will apply to the applicant’s investment firm group if the applicant firm is authorised.**

This question does not apply if the investment firm group already has permission to apply the GCT.

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Consolidated own funds composition – MIFIDPRU 3.2 and 3.7

 **3.9 Please state the gross amount of each class of capital in accordance with MIFIDPRU 3 on a consolidated basis. If the investment firm group already holds permission to use the GCT, then please instead provide the gross amount of capital of each type for the UK parent entity as well as all other GCT parent undertaking (please use a separate sheet for all GCT parent undertakings other than the UK parent entity).**

| **Source** | **Amount (£) held on a consolidated basis (prudential consolidation)** | **Amount (£) held by UK parent entity (GCT)**  |
| --- | --- | --- |
|  |  |  |
| Common Equity Tier 1 (CET1) capital (MIFIDPRU 3.3) |       |       |
|  |  |  |
|  |  |  |
| Additional Tier 1 (AT1) capital (MIFIDPRU 3.4) |       |       |
|  |  |  |
|  |  |  |
| Tier 2 (T2) capital (MIFIDPRU 3.5) |       |       |
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| **Total** |       |       |

 **3.10 You must complete the following form and attach it to your application**

In order for the consolidating parent entity or GCT parent undertakings to be able to classify their capital instruments as CET1 instruments under MIFIDPRU 3.3, they must seek our permission by submitting the below application form on the relevant basis.

[Application under MIFIDPRU 3.3.3R(1) for permission to classify an issuance of capital instruments as common equity tier 1 (CET1) capital](https://www.fca.org.uk/publication/forms/mifidpru-3-3-3r.docx)

[ ]  Attached

**3.11 This question only applies if the investment firm group is already trading.**

 **Please confirm if, as part of this application, the consolidating UK parent requires our permission to include interim or year-end profits as CET1 capital where a formal decision confirming the final profit and loss for the year has not yet been taken.**

[ ]  No

[ ]  Yes 4 Please submit the below application form as part of authorisation process.

[Application under MIFIDPRU 3.3.2R for permission to include interim or year-end profits as common equity tier 1 (CET1) capital](https://www.fca.org.uk/publication/forms/mifidpru-3-3-2r.docx)

[ ]  Attached

[ ]  Not applicable

 **3.12 For each AT1 and/or T2 capital instrument included in response to Question 3.9 (if any):**

 **a. Please confirm the type and name of the instrument, and whether the instruments have been or will be issued to external investors or only to other members of the firm’s group and connected parties**

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 **b) Please provide details of any features of the capital instrument which are novel, unusual or different from a capital instrument of a similar nature previously issued by the firm or widely available in the market**

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 **c) Please attach a copy of the term sheet(s)**

[ ]  Attached

 **d. Please attach a legal opinion from an appropriately qualified individual, confirming that the capital instruments meet the conditions in MIFIDPRU 3.4 or MIFIDPRU 3.5 (as applicable, and including any conditions in the UK CRR applied by those sections)**

[ ]  Attached

 **3.13 This question applies if the applicant firm will form part of a new investment firm group.**

 **Please confirm which of the following applies to the applicant firm’s group:**

[ ] [ ]  The group is not yet trading4Continue to Question 3.14

[ ]  The group is trading but does not prepare group accounts4Continue to Question 3.14

[ ]  The group is trading and prepares group accounts4Please provide the group’s statutory or non-statutory consolidated end of year accounts for the last 3 years or since the beginning of the activity. This should include the following:

Consolidated balance Sheet [ ]  Attached

Consolidated Profit and Loss accounts [ ]  Attached

Audited group annual reports [ ]  Attached

 [ ]  Not applicable

A report by the group auditor of the last 3 years [ ]  Attached

or since the beginning of the activity [ ]  Not applicable

Group financial forecast

**3.14** **You are required to provide the following group financial forecast information in an Excel format:**

a. A forecast balance sheet for the first 3 years after [ ]  Attached

the applicant firm is authorised

b. A forecast monthly profit and loss accounts for the [ ]  Attached
first year after the applicant firm is authorised, and
then a year end account for years 2 and 3

As a minimum, the profit and loss forecast must
disclosethe following on a monthly basis:

i. gross income, analysed between regulated and un-regulated activities

ii. business expenditure, relevant annual expenditure, analysis of the
major overheads expenditure, and

iii. profit before taxation.

c. A monthly cash flow forecast for the first year after [ ]  Attached

the applicant firm is authorised, and then a year end

cash flow forecast for years 2 and 3

**Consolidated own funds vs. consolidated own funds requirement**

**3.15 The applicant firm is required to provide the following information based on the consolidated situation of the UK parent entity in Excel format (unless permission to use the GCT is already in place):**

Monthly calculation of the consolidated own funds of the investment firm group against its consolidated own funds requirement, demonstrating how the former meets the latter, projected over a one-year period after authorisation. This must include working papers showing:

* detailed calculations of consolidated fixed overheads requirement (FOR) and consolidated K-factor requirement (if applicable),
* detailed calculations of capital tiers, clearly showing items being excluded or deducted from consolidated own funds, if applicable, and
* details of the assumptions on which the above calculations are based.

[ ]  Attached

Group capital test calculations (only applicable if permission
to use the GCT is already in place)

 **3.16 The applicant firm is required to provide the following information for each GCT parent undertaking in Excel format:**

Monthly group capital test calculations demonstrating how each GCT parent undertaking meets the test over a one-year period after authorisation of the applicant firm

This must include working papers showing

* detailed calculations of capital tiers, clearly showing items being excluded or deducted from each GCT parent undertaking’s own funds, if applicable,
* detailed calculations of group capital tests applied in accordance with MIFIDPRU 2.6.5R, and
* details of the assumptions on which the above calculations are based.

[ ]  Attached

Group liquid assets vs. liquid assets requirement

 **3.17 Please confirm if the investment firm group is subject to prudential consolidation**

[ ]  Yes4Please provide the following forecast information based on the consolidated situation of the UK parent entity:

Monthly calculation of the core and non-core consolidated liquid assets of the investment firm group against its consolidated basic liquid assets requirement, demonstrating how the former meets the latter, projected over a one-year period after authorisation.

This must include working papers showing the assumptions on which the calculations are based.

[ ]  Attached

[ ]  No, the group already has permission to apply the group capital test (GCT)

[ ]  No, the group already has an exemption from consolidated liquidity requirements and will continue to meet the conditions of the exemption after the applicant firm is authorised

Third-country groups

 **3.18 Is the applicant firm a member of a third country group?**

[ ] [ ]  No4Continue to Section 4

[ ] [ ]  Yes, of a third-country banking and investment group4 You must provide the documents below

[ ] [ ]  Yes, of a third-country financial conglomerate4 You must provide the documents below

1. an up-to-date group structure chart showing all group entities and each entity's country of incorporation

[ ]  Attached

1. a list of group entities that are regulated (or mark them on the group structure chart above), showing the name of the regulator and the nature
of business for each regulated entity

[ ]  Attached

[ ]  On group structure chart

1. the country of incorporation and the name of the highest non-UK parent undertaking that is either a financial holding company, credit institution or investment firm

[ ]  Attached

1. if applicable, full details of any measures the FCA or PRA has taken in relation to the consolidated supervision of the group (for example, in accordance with the provisions implementing the Financial Groups Directive).

[ ]  Attached

[ ]  Not applicable

1. if applicable, details of any group supervision on a consolidated basis by any non-UK regulator including the name of the consolidating supervisor and a brief description of how the consolidating supervisor undertakes group supervision

[ ]  Attached

[ ]  Not applicable

1. if the applicant firm is a member of a third-country financial conglomerate, please complete and attach the ‘Classification of groups’ form (the link to this form can be found within the relevant section of the [MIFIDPRU Supplement Notes](https://www.fca.org.uk/publication/forms/mifidpru-supplement-notes.docx))

[ ]  Attached

[ ]  Not applicable

|  |  |
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| 4 | Internal Capital and Risk Assessment (ICARA) process  |

Under MIFIDPRU 7, firms are required to develop and maintain an Internal Capital Adequacy and Risk Assessment Process (ICARA). They must use this to assess whether they need to hold additional own funds or liquid assets to comply with the Overall Financial Adequacy Rule.

Firms whose Permanent Minimum Requirement (PMR) is equal to or greater than £150,000 are required to submit their ICARA document as part of the MiFID authorisation application.

All other firms are only required to self-certify that they have undertaken an ICARA in accordance with MIFIDPRU 7. However, we may require that they submit their ICARA document as part of authorisation process at a later time.

 **4.1 Please confirm that the applicant firm operates an ICARA process in accordance with MIFIDPRU 7 and that this has been documented in an ICARA document.**

[ ]  Yes, we operate an ICARA process, and we have written evidence of its adequacy

 **4.2 Please confirm the date (dd/mm/yyyy) the ICARA process/document was signed off by the applicant firm’s governing body (dd/mm/yyyy).**

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 **4.3 If the applicant firm is a part of an investment firm group, please confirm whether the investment firm group operates a group ICARA process under MIFIDPRU 7.9.5R.**

[ ]  Yes

[ ]  No

 **4.4 If the applicant firm’s PMR is equal to or greater than £150,000, please attach your ICARA document with your application.**

[ ]  Attached

[ ]  Not applicable, the applicant firm’s PMR is £75,000

 **4.5 Please confirm the date (dd/mm) on which the applicant firm expects to submit its ICARA assessment questionnaire (MIF007) in accordance with MIFIDPRU 9.2.2R/9.2.4R.**

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