

# Strengthening accountability in banking: UK branches of foreign banks – Feedback on \*\*\*FCA CP15/10 / PRA CP9/15

August 2015





---

# Contents

Abbreviations used in this document	3
<b>1</b> Overview	4
<b>2</b> Feedback on the Senior Managers Regime	9
<b>3</b> Feedback on the Certification Regime	26
<b>4</b> Feedback on the Conduct Rules	30
<b>5</b> Forms and transition to the new regime	33
<b>Annex 1</b>	
<b>1</b> List of non-confidential respondents	36
<b>Appendix 1</b>	
<b>1</b> Near-final Handbook text (legal instrument)	37

In this Feedback Statement we report on the main issues arising from Consultation Paper 15/10 (*Strengthening accountability in banking: UK branches of foreign banks*) and publish the near-final rules.

Please send any comments or queries to:

Richard Johnson  
Strategy & Competition Division  
Financial Conduct Authority  
25 The North Colonnade  
Canary Wharf  
London E14 5HS

**Telephone:** 020 7066 4834  
**Email:** cp15-10@fca.org.uk

All our publications are available to download from [www.fca.org.uk](http://www.fca.org.uk). If you would like to receive this paper in an alternative format, please call 020 706 60790 or email [publications\\_graphics@fca.org.uk](mailto:publications_graphics@fca.org.uk) or write to Editorial and Digital Department, Financial Conduct Authority, 25 The North Colonnade, Canary Wharf, London E14 5HS.

## Abbreviations in this document

<b>The Act</b>	Financial Services (Banking Reform) Act 2013
<b>APER</b>	Statements of Principle and Code of Practice for Approved Persons (Handbook)
<b>APR</b>	Approved Persons Regime
<b>CASS</b>	Client assets
<b>CBA</b>	Cost benefit analysis
<b>CEO</b>	Chief Executive Officer
<b>CF</b>	Controlled function
<b>CFO</b>	Chief Finance Officer
<b>COCON</b>	Code of Conduct Sourcebook (Handbook)
<b>CP</b>	Consultation paper
<b>CRO</b>	Chief Risk Officer
<b>EBSM</b>	EEA Branch Senior Manager
<b>EEA</b>	Europe Economic Area
<b>EMEA</b>	Europe, Middle East and Asia
<b>FCA</b>	Financial Conduct Authority
<b>FIT</b>	The Fit and Proper Test for Approved Persons (Handbook)
<b>MIFID</b>	Markets in Financial Instruments Directive
<b>OBSM</b>	Overseas Branch Senior Manager
<b>PRA</b>	Prudential Regulation Authority
<b>PS</b>	Policy statement
<b>SMF</b>	Senior management function
<b>SMR</b>	Senior Managers Regime
<b>TC</b>	Training and Competence Sourcebook (Handbook)
<b>WMS</b>	Written Ministerial Statement

# 1. Overview

## Introduction

---

- 1.1** In March 2015 we consulted jointly with the Prudential Regulation Authority (PRA) on a new regulatory framework for individuals working in UK branches of overseas banks (incoming branches).<sup>1</sup> The proposals were intended to encourage senior individuals to take greater responsibility for their actions, and to make it easier for both firms and regulators to hold individuals to account, while improving conduct at all levels.
- 1.2** The consultation proposals were based on our new individual accountability regime for UK banks, building societies, credit unions and PRA-designated investment firms (UK relevant firms) and included amendments to tailor the regime for incoming branches. These aimed to address the inherent differences between incoming branches and UK relevant firms, while minimising the potential for arbitrage across UK relevant firms and incoming branches, which can pose similar conduct risks to the UK market. For Europe Economic Area (EEA) branches, the proposals also reflect the split of home and host state supervisory responsibilities under the relevant single market directives.
- 1.3** We received five responses to the consultation paper and are now providing feedback on the decisions we have made as a result. The PRA has published feedback separately in their policy statement PS20/15.<sup>2</sup> Respondents were broadly supportive of the proposals and requested clarity in a number of areas.
- 1.4** In this paper we are providing near-final rules in anticipation of secondary legislation coming into force that will extend the statutory elements of the regime to incoming branches. By publishing near-final rules ahead of this legislation, we aim to give firms as much time as possible to prepare for the changes. We plan to publish our final rules later in the year, as soon as is possible after the secondary legislation is finalised.

## Who does this affect?

---

- 1.5** This paper affects incoming branches of non-UK firms that have permission to accept deposits or deal in investments as principle (where that activity is a PRA-regulated activity) in the UK. In addition to the incoming branches themselves, the regime will affect a large number of individuals within those firms, including, but not limited to, their existing Approved Persons. The regime is limited to activities carried on in relation to a branch in the UK and does not apply

---

<sup>1</sup> FCA CP15/10 / PRA CP9/15: Strengthening accountability in banking: UK branches of foreign firms.

<sup>2</sup> PRA CP20/15: Strengthening individual accountability in banking: UK branches of non-EEA banks.

to EEA firms which do not have a branch in the UK. This paper will also be of interest to the Home State Supervisors of incoming branches.

- 1.6** This paper also affects UK relevant firms, as some of the revised policy and handbook text is also applicable to these firms. In particular, the near-final rules include guidance on our interpretation of the phrase ‘dealing with a client in the UK’ in respect of the Certification Regime and the Conduct Rules, which is relevant to both UK relevant firms and incoming branches.

### Is this of interest to consumers?

- 1.7** This paper will primarily be of interest to incoming branches and the individuals who work in them. Consumers may be interested in how individual accountability is being enhanced within relevant firms, or how staff they interact with will be required to comply with the Conduct Rules.

### Context

- 1.8** The Financial Services (Banking Reform) Act 2013 (the Act) introduced a new regulatory framework for individuals working in UK relevant firms.
- 1.9** On 3 March 2015, the Treasury announced, following consultation, its intention to apply the new accountability regimes to incoming branches in a Written Ministerial Statement (WMS).<sup>3</sup> The Treasury laid the secondary legislation extending the regime to incoming branches in Parliament on 20 July 2015<sup>4</sup> and, subject to approval by Parliament, it is due to come into force on 9 November 2015. The Treasury also intends to make secondary legislation in relation to the grandfathering arrangements for incoming branches later this year. This paper includes our policy and near-final rules for incoming branches in anticipation of that legislation.
- 1.10** Our consultation proposals for incoming branches built on those published in July 2014<sup>5</sup> and December 2014<sup>6</sup> for UK relevant firms. In relation to the Senior Managers Regime (SMR), the proposals for incoming branches were based on the policy and near-final rules set out in our feedback statement for UK relevant firms published in March 2015.<sup>7</sup>
- 1.11** The near-final rules in this paper are based on the final rules for UK relevant firms published in CP15/22<sup>8</sup> and PS15/21.<sup>9</sup> Therefore, in addition to changes made in response to CP15/10, the policy and handbook text in this paper also reflects certain changes made in the final rules for UK relevant firms. This paper should therefore be read alongside CP15/22 and PS15/21.

3 <http://www.parliament.uk/business/publications/written-questions-answers-statements/written-statement/Commons/2015-03-03/HCWS336/>

4 <http://www.legislation.gov.uk/ukdsi/2015/9780111138168>.

5 FCA CP14/13 / PRACP14/13: *Strengthening accountability in banking: a new regulatory framework for individuals*.

6 FCA CP14/31 / PRA CP28/14: *Strengthening accountability in banking: forms, consequential and transitional aspects*.

7 FCA CP15/9: *Strengthening accountability in banking: a new regulatory framework for individuals – Feedback on \*\*\*FCA CP14/13 / PRA CP14/13 and consultation on additional guidance*.

8 FCA CP15/22: *Strengthening accountability in banking: Final rules (including feedback on CP14/31 and CP15/5) and consultation on extending the Certification Regime to wholesale market activities*.

9 FCA PS15/21: *Changes to the Approved Persons Regime for Solvency II firms: Final rules (including feedback on CP14/25, CP15/5 and CP15/16), and consequentials relating to CP15/22 on strengthening accountability in banking*.

- 1.12** Alongside the final rules for UK relevant firms, the Financial Conduct Authority (FCA) is also consulting on proposals to extend the Certification Regime to more wholesale markets activities in CP15/22. Those proposals apply to both UK relevant firms and incoming branches, and should therefore be read alongside this paper.
- 1.13** Firms will also need to read this paper alongside the policy and rules for incoming branches published by the PRA in PS20/15. Figure 1, at the end of this chapter, outlines a 'Road Map' to the new regime.

### Summary of feedback and our response

---

- 1.14** Respondents to CP15/10 made comments and raised questions across several areas. The majority of feedback asked us to be clearer about the intention and application of our proposals in practice and we have sought to address this feedback in this paper and near-final rules.

#### Senior Managers Regime

- 1.15** This is the new regime for senior individuals who hold key roles or have local responsibility for key areas. Those roles require regulatory pre-approval. Respondents raised questions about the scope of the new senior management functions (SMFs) in both non-EEA and EEA branches and raised concerns about our guidance around remote booking for non-EEA branches. Respondents also raised a number of issues about how the regime applies to EEA branches. We have made changes to our regime to address the feedback received and clarify the rules. In particular, for non-EEA branches we have amended the list of SMFs and our guidance on remote booking. For EEA branches, we have provided further guidance on the EEA branch senior manager (EBSM) function and have clarified what the responsibilities map for EEA branches should include.
- 1.16** We also provide additional information in this paper on how non-EEA branches should allocate responsibilities in practice and how senior management functions may operate in practice for both non-EEA and EEA branches.

### Certification Regime

---

- 1.17** The Certification Regime applies to staff performing functions which could pose a risk of significant harm to the firm or any of its customers. Respondents asked how we would apply the Certification Regime to individuals based overseas that are dealing with a client in the UK. Respondents also raised concerns about firms' ability to obtain the relevant information necessary to assess an individual's fitness and propriety from previous employers based overseas. We have provided additional guidance on what is meant by the term 'client in the UK', and additional information to assist firms in identifying any of their overseas staff who meet the definition of a certified person.

### Conduct Rules

---

- 1.18** We consulted on the Conduct Rules having a wide application to employees in incoming branches; however the Conduct Rules will only apply to staff in EEA branches in relation to matters that are within the UK's scope of responsibilities as the host state regulator. This



reflects the split of home/host state responsibilities under the relevant single market directives. Respondents requested examples of where the Conduct Rules might not apply in EEA branches. We have not made any changes to our rules in this regard, as whether the Conduct Rules apply will depend on the particular circumstances of the matter in question.

### Cost benefit analysis

---

- 1.19** In our consultation, we set out a cost benefit analysis (CBA) of the proposed changes to the accountability regime for incoming branches. We do not consider that the changes set out in this paper will materially alter the substance of that CBA, but we will consider this further in our final policy statement.
- 1.20** CP15/22 contains proposals for changes to the scope of the Certification Regime in respect of wholesale market activities. A full CBA of those proposals is set out in that paper, for both UK relevant firms and incoming branches.

### Next steps

---

#### What do you need to do next?

- 1.21** If your firm is affected by the proposed rules, you will need to ensure that you are ready for their coming into force on 7 March 2016. Firms will be required to submit grandfathering notifications for existing approved persons who will be performing senior management functions under the new regime by 8 February 2016.
- 1.22** Individuals subject to either the SMR or the Certification Regime will be subject to Conduct Rules from the commencement of the new regime on 7 March 2016. Firms will have a year after this, until 7 March 2017, to prepare for the wider application of the Conduct Rules to other staff.
- 1.23** The policy and Handbook text in this paper is based on the Treasury's secondary legislation expanding the definition of relevant authorised person to include incoming branches, which was laid in draft before Parliament on 20 July 2015.<sup>10</sup> If that secondary legislation is made in the autumn, it will be made without amendment. Therefore, the inclusion of near-final rules in this paper means that incoming branches should be able to make progress in preparing for the new regime straightaway.

#### What will we do?

- 1.24** We will publish a policy statement later in 2015 finalising our rules, subject to finalised secondary legislation. We will also include any remaining technical changes (including any further consequential changes) in our final Handbook rules.
- 1.25** Below we set out a high level 'Road Map' to the new accountability regime.

<sup>10</sup> <http://www.legislation.gov.uk/ukdsi/2015/9780111138168>.

**Figure 1: High-level 'Road Map' to the new accountability regime**

Future publications:

- Consequential amendments to other parts of the FCA Handbook – published alongside this paper
- Consultation Paper on regulatory references – Autumn 2015
- Final guidance on Presumption of Responsibility and other enforcement-related matters – Autumn 2015
- Final rules on the inclusion of wholesale activities in the Certification Regime – in time for commencement of the regime in March 2016
- Final rules on regulatory references – in time for commencement of the regime in March 2016
- Final rules on incoming branches of overseas firms – date dependent on legislation

Other steps towards implementation:

- Submission deadline for grandfathering notifications – 8 February 2016
- Commencement date of SMR and Certification Regime – 7 March 2016
- First annual submission notifying breaches of the Conduct Rules required for staff included in the Certification Regime – end October 2016
- Application of Conduct Rules to staff who are not within the SMR or Certification Regime – 7 March 2017
- First annual submission notifying breaches of the Conduct Rules including staff who are not within the SMR or Certification Regime – end October 2017

## 2. Feedback on the Senior Managers Regime

- 2.1** In this chapter, we discuss responses received to the proposals we consulted on relating to the SMR and the changes that we have made as a result. We also seek to answer a number of questions and requests for clarity that we received in the responses, and we address feedback about applying the accountability regime more generally to EEA branches.

### Application of the accountability regime – EEA branches

- 2.2** Our definition of an EEA relevant authorised person is based on the draft Treasury Order extending the regime to incoming branches. We received feedback on the wording of the definition and specifically its application where an EEA relevant authorised person only has permission to undertake deposits via a service passport.
- 2.3** We also received feedback and requests for confirmation on how or whether certain aspects of the regime apply for EEA branches, in particular: the Compliance Oversight (SMF16) function, handover arrangements, and requirements around the allocation of responsibilities. Respondents raised concerns that applying the regime differently for EEA branches could result in an un-level playing field.

#### Our response:

Our regime for EEA branches is limited to activities carried out in relation to a UK establishment. Where an EEA firm has permission to accept deposits in the UK via a services passport only and is not undertaking any activities in relation to a branch in the UK, the regime will not apply. This is in line with our approach under the current Approved Persons Regime (APR). This is also consistent with the split of home/host state responsibilities under the relevant single market directives, where our responsibilities differ for branches operating under a service vs an establishment passport.

Where an EEA firm is undertaking deposit taking via a branch in the UK, it must do so via an establishment passport. These firms will be relevant authorised persons under the draft Treasury Order and the branch will be subject to the SMR and wider accountability regime for EEA branches.

While the definition of a relevant authorised person is defined by reference to particular activities, key elements of the accountability regime (e.g. the SMR and the Conduct Rules) are not limited to particular activities, such as deposit taking. Where an EEA firm has permission to accept deposits in the UK via a service passport and also has an establishment passport to undertake other

regulated activities in the UK, the EEA firm will also fall under the definition of a relevant authorised person under the draft Treasury Order. In this scenario the UK branch will therefore also be subject to the SMR and wider accountability regime for EEA branches. We received feedback stating an assumption that the UK branch in this scenario would be solo-regulated. However, as the EEA firm is undertaking a PRA regulated activity (via the service passport), namely deposit taking, the effect of this is that the EEA firm, which includes the UK branch, should be a PRA authorised person and therefore dual regulated.

We have made some small amendments to the definition of an EEA relevant authorised person in our handbook text to ensure it reflects the definition in the draft Treasury Order as described above.

EEA branches do not need to put forward their Head of Compliance/Compliance Officer for approval to the Compliance Oversight function (SMF16), as this is a matter reserved to the home member state. This is consistent with the current APR for EEA branches.

Our requirements around handover arrangements and the allocation of responsibilities also do not apply to EEA branches, consistent with the split of home/host state responsibilities under the relevant single market directives. We do not consider that this results in an un-level playing field – for EEA branches the regulatory regimes of both the home and host state must be considered together and these matters are responsibilities of the home state regulator.

---

## Senior management functions

---

- 2.4** Respondents were supportive of the overall scope of senior management functions for incoming branches and we are not proposing any changes to the scope of the regime. However, in response to specific feedback, and with the desire to deliver greater clarity and consistency, we have made adjustments to how the non-EEA branch functions are expressed. We have also provided further guidance on the scope of the EEA branch functions to clarify their application in practice.

### Overseas Branch Senior Management Function (OBSM)

- 2.5** We consulted on applying the new OBSM function for non-EEA branches. The creation of a separate non-EEA branch function was intended to reflect the differing legal structure of a branch. As incoming branches are not distinct legal entities, the position and responsibilities of SMFs in non-EEA branches will be different to those in UK relevant firms, as the branch's ultimate board resides at the level of the whole firm. The OBSM was therefore created to apply only in relation to the activities of the UK branch.
- 2.6** While some respondents welcomed the new OBSM function, we also received feedback that the definition of the OBSM was unclear. One respondent also requested confirmation that a non-EEA branch does not always need to have an individual performing the OBSM, for example in a small branch where decision-making authority is held by the Head of Overseas Branch alone.

### Our response:

As consulted on, the OBSM combines two types of individuals:

- a) Individuals performing an executive director function in relation to the branch.
- b) Individuals that have local responsibility for any of the activities, business areas or management functions of the branch.

To provide greater clarity, we have decided to remove the OBSM function and instead apply the following two functions in non-EEA branches:

- a) The **'Executive Director' (SMF3) function**. This will operate in a similar way to the existing Director controlled function (CF1) for non-EEA branches. For non-EEA branches this will be limited to individuals performing a senior management function in relation to the branch only, rather than in relation to the whole firm.
- b) A new **'Other Local Responsibility' (SMF22) function**. This will broadly operate in a similar way to the Other Overall Responsibility (SMF18) function for UK relevant firms. This will capture any individuals that have local responsibility for any of the activities, business areas or management function of the branch, but are not approved to perform any other SMF in relation to the branch.

These two functions will capture the same scope of individuals as the OBSM we consulted on. However, splitting the function will make it clearer which individuals are captured in each function as they provide a more accurate description of a senior manager's actual role. This also preserves our policy intention of limiting the functions to branch activities: the Executive Director function for non-EEA branches will be limited to individuals performing the function in relation to the branch; and local responsibility is defined in relation to branch activities. This approach is more consistent with the regime for UK relevant firms, while remaining appropriately tailored to reflect the different legal structure of branches. This should also simplify the regime for firms that have both a branch and subsidiary subject to the new accountability regime and have individuals performing similar functions across the UK entities.

Similarly to the regime for UK relevant firms, the Other Local Responsibility function will only apply if a person with local responsibility is not approved to any other SMF. Therefore, if a branch has allocated local responsibility for all the activities, business areas and management functions of the branch between its other SMFs, it will not need to have any individuals approved to the Other Local Responsibility function.

In relation to the Executive Director function, while we expect that most branches will have individuals performing this function, it is not required if it does not apply to any individual in the branch, for example in smaller branches.

### **Non-EEA branches: Implementing vs setting strategy**

- 2.7** We noted in our consultation that we would retain the existing principle in the APR that, if an individual based overseas is responsible for setting strategy for a UK branch, the individual will not generally require approval by the FCA. However, where an individual is responsible for implementing that strategy in a UK branch, wherever they are based, they are likely to require approval as an SMF. We received feedback requesting examples illustrating the difference between implementing and setting strategy.

#### **Our response:**

We consulted on specific guidance in the Conduct Rules sourcebook (COCON) illustrating the steps a senior manager in a branch should take when implementing a strategy set by the wider firm, for example to enter a new business line or introduce a new product. In these situations the relevant senior manager(s) in the UK branch should have the necessary authority to decide whether to implement the strategy in the UK or to challenge the proposal. The senior manager(s) would be responsible for deciding how to implement the strategy in a way that complies with the UK regulatory system and ensuring the relevant controls are in place.

As this is a well-established concept, and applies in the same way to the proposals we consulted on, we do not intend to provide further specific examples in our Handbook text. We have, however, made some amendments to the guidance in COCON to clarify our expectations.

### **Non-EEA branches: The Compliance Oversight function (SMF16)**

- 2.8** We consulted on applying the Compliance Oversight function for non-EEA branches only. We received feedback requesting clarity on our approach to non-EEA branches that are not currently required to have an individual approved to the current Compliance Oversight (CF10) function.

#### **Our response:**

If a non-EEA branch is not currently required to have an individual approved to CF10, this will not change under the SMR. However, if a non-EEA branch is not required to have an individual approved to SMF16, they must still ensure that the prescribed responsibility on compliance is allocated to an appropriate senior manager of the branch.

Accordingly, where branches already have an individual approved under the current CF10 function, that individual will be able to grandfather across to SMF16 without needing to be re-approved.

If a branch does not have an individual approved to CF10, they can allocate the prescribed responsibility for compliance to an individual who is currently approved and will grandfather into an appropriate senior manager role. However, if the individual who will be allocated the prescribed responsibility for compliance is not currently an approved person, the branch must apply for that individual to be approved to an appropriate senior manager function before the new regime commences.

### EEA Branch Senior Manager function (EBSM)

- 2.9** We consulted on applying the new EBSM function for EEA branches. The EBSM function is based on the current Significant Management (CF29) function for EEA branches, which is limited to individuals that are involved in particular regulatory activities. We received feedback requesting further clarity on the type and seniority of individuals that should be captured by this function. Respondents also queried whether all individuals currently approved to CF29 in EEA branches must grandfather to the EBSM.

#### Our response:

We have included further guidance on the scope of the EBSM based on existing Handbook material concerning the current CF29 function. The EBSM applies to individuals responsible for a significant business unit including any of the activities set out in the definition of the function (e.g. accepting deposits). The guidance sets out that individuals performing this role will be a 'senior manager with significant responsibility for a significant business unit', and provides more detail on what would be considered a 'significant' business unit. An individual may have significant responsibility for an area if they are head of a relevant business unit or are a member of a committee that takes decisions relating to it. The scope of the EBSM is not limited to the most senior individual responsible for an area – for example, heads of sub-business units may also require approval as an EBSM if their role and business area meets the 'significance' threshold.

We have replicated existing guidance which sets out that an individual will not require approval if their fitness and propriety is a matter reserved to the home member state. Further, we do not apply any FCA governing functions to EEA branches, and the UK branch manager, or individuals performing governing functions in the branch, do not need to be approved in that capacity. However, the branch manager or another member of the governing body of the branch may still require approval in the capacity of an EBSM if they also have significant responsibility for a significant business unit.

We have provided guidance on the difference between the EBSM and the 'significant management' significant harm function in certification, which have similar definitions. The key difference is that individuals performing the EBSM must also meet the definition of a senior manager in the Act.

Therefore, individuals currently performing CF29 should only grandfather to the EBSM if they meet the definition of a senior manager as set out in the Act and replicated in our handbook text. Individuals that do not meet the definition of a senior manager are likely to become Certified Persons as they are likely to be performing the significant management significant harm function.

We have also updated our rules in respect of EEA branches with a top-up permission. Under the current APR, the CASS Oversight (CF10a) function applies to EEA branches with a top-up permission. In the final rules for UK relevant firms and in the rules in this paper for non-EEA branches, we have included a prescribed responsibility in relation to the firm's compliance with CASS as we consider it important that responsibility for CASS is allocated at a senior level within the firm. Therefore we have expanded the definition of the EBSM for EEA branches with a top-up permission to capture the relevant senior individual(s) involved with the branch's CASS activities.

**EEA branches: fitness and propriety**

- 2.10** Our current handbook text provides that, for EEA branches subject to the Markets in Financial Instruments Directive (MiFID), the assessment of fitness and propriety of individuals should not include competence. We consulted on also applying these provisions to senior managers in EEA branches. Some respondents asked whether competence should be interpreted as equal to 'fitness', and therefore assessments of individuals in EEA branches would be reserved to 'propriety' only.

**Our response:**

While competence is part of fitness, they should not be considered to be synonymous. The main assessment criteria for the fitness and propriety of approved persons are set out in our Handbook in the Fit and Proper Test for Approved Persons 2 (FIT 2), which includes competence, but is broader than this. FIT 1.2.4A provides guidance on the application of FIT in relation to matters reserved to the Home State under MiFID and EEA branches should consider that guidance when conducting their assessments of Senior Managers.

---

**Other clarifications**

- 2.11** Respondents asked us to confirm what penalties and sanctions apply to incoming branch SMFs, and questioned how the regulators will enforce against individuals based overseas. Respondents also asked for confirmation on whether incoming branches would be required to provide annual certificates of compliance with the SMR.

**Our response:**

The criminal offence relating to a decision which causes a relevant firm to fail will not apply to SMFs of incoming branches. They will, however, be subject to the presumption of responsibility. Like the current APR, the SMR is not limited to individuals based in the UK, and our existing powers in relation to approved persons will continue to apply under the new regime.

With regard to the annual certificate of compliance, incoming branches will not be required to provide these, in line with the final rules for UK relevant firms.

---



**Figure 2: FCA and PRA senior management functions in incoming branches**

	<b>PRA Senior Management Functions</b>	<b>FCA Senior Management Functions</b>
Non-EEA branches	Chief Finance function (if applicable) (SMF2)	Executive Director function (SMF3)
	Chief Risk function (if applicable) (SMF4)	Compliance Oversight function (SMF16)
	Head of Internal Audit function (if applicable) (SMF5)	Money Laundering Reporting function (SMF17)
	Group Entity Senior Manager function (if applicable) (SMF7)	Other local responsibility function (SMF22)
	Head of Overseas Branch function (SMF19)	
EEA branches		Money Laundering Reporting function (SMF17)
		EEA branch Senior Manager function (SMF21)

### **Non-EEA branches: Allocation of responsibilities**

**2.12** Respondents were broadly supportive of our responsibilities framework for non-EEA branches, although we received feedback on our guidance around remote booking, which we respond to in this section. In this section we also explain other, minor changes we have made to our near-final rules on the allocation of responsibilities. These changes are largely to align appropriately with the final rules for UK relevant firms but we have also made some amendments to our requirements around local responsibility to more closely tailor this to a branch structure. Finally, in this section we provide some further information and examples about how responsibilities should be allocated in practice.

#### **Prescribed responsibilities**

**2.13** Between the FCA's and PRA's rules, a tailored list of 12 prescribed responsibilities has been specified for non-EEA branches. As with the regime for UK relevant firms, some of these responsibilities have been specified by both regulators and others by either the FCA or PRA only.

**2.14** As the regulators have applied a shorter, tailored list of prescribed responsibilities for non-EEA branches, the full list of branch responsibilities applies for all non-EEA branches – there is no distinction for, for example, smaller branches.

**2.15** The prescribed responsibilities are intended to be allocated to individuals performing executive functions in the branch only. We acknowledge that in rare circumstances there may be individuals performing non-executive functions in relation to the branch, but the regulators have not specified any non-executive functions in non-EEA branches. So, as the prescribed responsibilities must be allocated to an approved person, the prescribed responsibilities should not be allocated to an individual performing a non-executive function.

**2.16** In line with the final rules for UK relevant firms, we have removed the prescribed responsibility on whistleblowing. We consulted on whistleblowing requirements for UK relevant firms and

insurers in CP15/4;<sup>11</sup> however that consultation did not cover incoming branches. Therefore, both the FCA and PRA have decided that it would be preferable to remove the branch whistleblowing responsibility from their respective rules until there is greater clarity regarding the extension of whistleblowing requirements to incoming branches.

- 2.17** The PRA is not requiring non-EEA branches in all cases to have individuals approved to the Chief Risk (SMF4) function, although if a branch has an individual performing this function they will be required to be approved to SMF4. Where a branch does not have a dedicated individual performing this role, the branch must still ensure that prescribed responsibility 'zd' on risk management is allocated to an appropriate senior manager.
- 2.18** As noted earlier in this paper, some non-EEA branches do not currently have an individual approved to the Compliance Oversight function. Where a non-EEA branch does not have an individual approved to SMF16, they will still need to ensure that prescribed responsibility 'ze' on compliance is allocated to an appropriate senior manager.
- 2.19** We have amended the responsibility 'zh' for client assets (CASS) in line with the regime for UK relevant firms, to clarify that all elements of CASS compliance fall under this responsibility. Consistent with the regime for UK relevant firms, the CASS responsibility applies only where the relevant parts of the CASS sourcebook apply to the branch. The CASS responsibility may be allocated to any senior management function, including any individual approved to the Other Local Responsibility function, SMF22. However, none of the other prescribed responsibilities can be allocated to an individual performing SMF22; these prescribed responsibilities can only be allocated to individuals performing another senior management function.
- 2.20** Our approach and rules around sharing and splitting prescribed responsibilities for incoming branches are consistent with the position explained in CP15/22 for UK relevant firms.

**Figure 3: Combined list of FCA and PRA prescribed responsibilities for non-EEA branches**

Ref	Prescribed responsibility	PRA/FCA
za	Responsibility for the branch's performance of its obligations under the senior management regime	PRA/FCA
zb	Responsibility for the branch's performance of its obligations under the employee certification regime	PRA/FCA
zc	Responsibility for compliance with the requirements of the regulatory system about the management responsibilities map	PRA/FCA
zd	Responsibility for management of the UK branch's risk management processes in the UK	PRA/FCA
ze	Responsibility for the branch's compliance with the UK regulatory regime applicable to the branch	PRA/FCA
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 body of the firm or, where appropriate, of the parent undertaking or holding company of the firm's group	PRA/FCA
zg	Local responsibility for the branch's policies and procedures for countering the risk that the branch might be used to further financial crime	FCA

<sup>11</sup> FCA CP15/4: *Whistleblowing in deposit-takers, PRA-designated investment firms and insurers.*

<b>Ref</b>	<b>Prescribed responsibility</b>	<b>PRA/FCA</b>
<b>zh</b>	Local responsibility for the branch's compliance with CASS	FCA
<b>zi</b>	Responsibility for management of the branch's systems and controls in the UK	PRA
<b>zj</b>	Responsibility for the allocation of all UK branch prescribed responsibilities	PRA
<b>zk</b>	Responsibility for the management of the branch's liquidity or, where a liquidity waiver is in place, the submission of information to the PRA on the firm's liquidity position	PRA
<b>zl</b>	Responsibility for the production and integrity of the branch's financial information and its regulatory reporting in respect of its regulated activities	PRA

### **Other individuals with 'Local Responsibility'**

- 2.21** Those individuals who have local responsibility for activities, business areas or management functions of the branch need to be pre-approved to a senior management function. In some cases, the senior manager who has local responsibility for an activity, function or area will already have been identified as performing a specific SMF, but it is extremely important that firms also identify any other individuals who have local responsibility for an activity, function or area.
- 2.22** If an individual who has local responsibility for an activity, function or area (including prescribed responsibility 'zh' on CASS) does not hold any other SMF, that person must be pre-approved to SMF22, our 'Other Local Responsibility function'.
- 2.23** The concept of local responsibility is similar to 'overall responsibility' in the regime for UK relevant firms, and we consulted on a definition of local responsibility which was based on overall responsibility. The underlying policy intention of these two concepts is the same; to ensure that responsibility for all the activities, functions and areas of the branch is allocated to individuals of an appropriate level of seniority.
- 2.24** We have made some amendments to the definition of local responsibility to ensure the right people are captured in relation to the branch. The local responsibility rules apply differently depending on whether the activity or function in question is under the management of the branch's governing body.
- 2.25** For activities or functions that come under the management of the branch's governing body, the local responsibility rules generally reflect the overall responsibility framework, but with local responsibility defined in relation to the branch's governing body rather than the firm's ultimate board. In this scenario, we would expect the individual with local responsibility should be the most senior individual responsible subject to the branch's governing body.
- 2.26** Our near-final rules also take account of the situation where an activity or function is not under the management of the branch's governing body. For example, this may arise where a branch does not have a governing body as such or where a particular activity or function of the branch is managed by a person or body outside of the branch management structure. This applies only to activities or functions of the branch, and is not intended to capture activities or functions of the wider firm.
- 2.27** In this scenario, we would expect that the individual with local responsibility would be the most senior individual responsible for managing the activity or function, although 'managing' does not mean having day-to-day management control. In our consultation we highlighted that individuals responsible for implementing strategy in relation to the branch would be captured as senior managers, whereas overseas individuals whose responsibilities were purely around setting strategy would not require approval. Therefore, an individual outside the branch management structure will have local responsibility if they are the most senior individual responsible for implementing strategy for that area.

- 2.28** There is no link between where a senior manager is based geographically and the differentiation in approach depending on whether an area is under the management of the branch governing body. The purpose of this differentiation in approach is to ensure that local responsibility is allocated to the most senior individual responsible for the area. Senior managers responsible for areas that are under the management of the branch governing body will be part of the branch management structure, but this does not imply that they must also be based in the UK. Similarly, senior Managers responsible for areas that are not under the management of the branch governing body may not necessarily be based overseas.
- 2.29** In CP15/9 we set out the purpose of the list of a firm's main business activities and functions and how firms might use this. In summary, while the list may be used to help in the allocation of responsibilities, we do not require branches to allocate responsibilities according to the split of activities in the list, nor should incoming branches view the list as exhaustive.
- 2.30** Local responsibility applies for executive responsibilities only. We have therefore clarified in our Handbook text that an individual performing a non-executive role, with oversight of an area, will not have local responsibility for that area.
- 2.31** We have also aligned the Handbook text for non-EEA branches to the final rules for UK relevant firms, clarifying that a firm does not have to assign local responsibility additionally for those areas where prescribed responsibilities exist and are assigned to senior managers. Branches also do not have to separately allocate local responsibility for responsibilities that are already required or allocated as part of certain senior management functions. For example, there would be no need to record that an individual has local responsibility for Internal Audit if a branch has a senior manager approved to the Head of Internal Audit function (SMF5).
- 2.32** As the senior management functions and prescribed responsibilities that apply to branches are more limited, there may be areas where branches will be required to allocate local responsibility specifically, whereas in a UK relevant firm this would be inherent in a particular senior management function or prescribed responsibility.
- 2.33** The PRA is not requiring non-EEA branches in all cases to have individuals approved to the Chief Finance (SMF2) and Head of Internal Audit (SMF5) functions, although if a branch has dedicated individuals performing these functions they will be required to be approved to the relevant function. Where a branch does not have dedicated individuals performing these roles, but these activities are undertaken in the branch, the branch must still allocate local responsibility for the function(s) to a senior manager. Some branches, in particular smaller branches, may not have a formal internal audit or finance function and therefore would not be required to allocate local responsibility for these functions.

#### **Allocating responsibilities in practice**

- 2.34** In CP15/22 we provided further information on how firms should allocate responsibilities in practice. In this section we seek to provide similar information, tailored where necessary, for non-EEA branches.
- 2.35** The text in the following box provides more detail on the steps a non-EEA branch might follow in order to allocate responsibilities in practice, and how this will inform the development of Statements of Responsibilities and the responsibilities map. The text below is intended to be illustrative only and should not be interpreted as guidance.

---

**Figure 4: Allocating senior management responsibilities in practice**

---

- 1. Consider what activities, business areas or functions are performed by the branch and which prescribed responsibilities will be relevant to them.**
    - For example, does the entity hold client money?
  - 2. Identify those individuals that hold senior management functions 2 to 19 (where applicable).**
    - For example, does the branch have dedicated individuals performing the Chief Finance, Chief Risk or Head of Internal Audit functions?
  - 3. From this list, allocate the relevant prescribed responsibilities** to at least one SMF (except, if you wish, the responsibility in relation to CASS, which can be allocated to a senior manager approved to SMF22).
  - 4. Identify any individuals that have local responsibility for any other activities, functions or business areas** that are not already reflected in a senior manager's controlled function or the prescribed responsibilities.
    - If helpful, refer to the list of main business areas for guidance, but bear in mind that it may not cover all of the branch's activities or split of activities in practice.
    - If any individual has local responsibility for an area, and has not already been assigned to SMF2 to 19 (where applicable), they will require approval to perform SMF22 (as will the senior manager allocated the prescribed responsibility in relation to CASS, if they are not carrying out any other senior management function).
  - 5. Record the allocation of responsibilities** on individual statements of responsibilities and a summary of these in the responsibilities maps (including the responsibilities assigned to each SMF and any other information that is relevant to the controlled function they perform).
- 

**Examples of how a branch might approach allocation of responsibilities**

- 2.36** When allocating responsibilities in practice, firms should ensure they understand who will have responsibility for all of the different functions and activities that the branch conducts. In practice, this will involve not only identifying the individuals who will hold SMFs and be assigned prescribed responsibilities, but also considering what other activities or areas of the branch exist. These may be the responsibility of individuals who report directly to the branch's governing body but are not members of it, or of individuals that are outside the branch's management structure.
- 2.37** Below we set out two examples of this in Figures 5 and 6. Figures 5 and 6 are not examples of responsibilities maps, but illustrate the thought process that could be involved in assessing a branch's allocation of responsibilities. Once the allocation is made, it will need to be reflected in individual statements of responsibilities and responsibilities maps. It is not our intention that the following examples be viewed as a format that branches need to use.

2.38 In Figure 5, we highlight the following two examples:

1. Ms Echo is the Chief Risk Officer and holds SMF4. In this example, she is allocated the prescribed responsibility for managing the branch’s risk management processes in the UK.
2. In contrast, the firm identifies Information Technology as an area where the individual with local responsibility – Ms Kilo – does not perform any other SMF, so it assigns her SMF22.

**Figure 5: Example of allocating senior management responsibilities in practice**

Senior Management Functions (PRA and FCA) – Example of a larger branch		Extract from list of Prescribed Responsibilities (PRA and FCA)	Some examples of a firm’s activities, functions or business areas
Head of Overseas Branch function (SMF19)	...Ms Alpha	Responsibility for the firm’s performance of its obligations under the <b>senior management regime</b>	
Chief Finance function (SMF2)	...Mr Bravo		
<b>Executive Director Function (SMF3)</b>	...Ms Charlie ...Mr Delta		Retail lending
Chief Risk function (SMF4)	...Ms Echo	Responsibility for the firm’s performance of its obligations under the employee <b>certification regime</b>	
Head of Internal Audit function (SMF5)	...Mr Foxtrot		Retail investments
Group Entity Senior Manager function (SMF7)	...Ms Golf	Responsibility for compliance with the requirements of the regulatory system about the <b>management responsibilities map</b>	
<b>Compliance oversight function (SMF16)</b>	...Ms Indi		Payment services
<b>Money laundering reporting function (SMF17)</b>	...Ms India	Responsibility for management of the branch’s <b>risk management</b> processes in the UK	
<b>Other local responsibility function (SMF22)</b>	...Mr Juliet ...Ms Kilo	Responsibility for the branch’s <b>compliance</b> with the UK regulatory regime applicable to the branch	Mortgage advice
		Responsibility for the <b>escalation of correspondence</b> from the PRA, FCA and other regulators in respect of the branch to the governing body and/ or the management body of the firm or, where appropriate, of the parent undertaking or holding company of the firm’s group	Corporate lending
		Local responsibility for the branch’s policies and procedures for countering the risk that the branch might be used to further <b>financial crime</b>	Corporate advice
		Local responsibility for the branch’s compliance with <b>CASS</b>	Information Technology

2.39 In Figure 6, we highlight the following examples:

1. Ms Charlie has local responsibility for corporate lending. Ms Charlie is also an Executive Director; therefore she is approved to SMF3 (rather than SMF22).
2. The branch does not have a dedicated Chief Risk Officer. Ms India has local responsibility for risk, and does not perform any other SMF; therefore she is approved to SMF22.

**Figure 6: Example of allocating senior management responsibilities in practice**

Senior Management Functions (PRA and FCA) – Example of a smaller branch	Extract from list of Prescribed Responsibilities (PRA and FCA)	Some examples of a firm's activities, functions or business areas
Head of Overseas Branch function (SMF19)	...Ms Alpha	Retail lending
Chief Finance function (SMF2)	N/A	
<b>Executive Director Function (SMF3)</b>	... Mr Bravo ...Ms Charlie	Retail investments
Chief Risk function (SMF4)	N/A	
Head of Internal Audit function (SMF5)	N/A	Payment services
Group Entity Senior Manager function (SMF7)	...Mr Delta	
<b>Compliance oversight function (SMF16)</b>	...Ms Echo	Mortgage advice
<b>Money laundering reporting function (SMF17)</b>	...Mr Hotel	
<b>Other local responsibility function (SMF22)</b>	...Ms India	Corporate lending
	Responsibility for the firm's performance of its obligations under the <b>senior management regime</b>	Corporate advice
	Responsibility for the firm's performance of its obligations under the <b>certification regime</b>	Risk management
	Responsibility for compliance with the requirements of the regulatory system about the <b>management responsibilities map</b>	
	Responsibility for management of the branch's <b>risk management</b> processes in the UK	
	Responsibility for the branch's <b>compliance</b> with the UK regulatory regime applicable to the branch	
	Responsibility for the <b>escalation of correspondence</b> from the PRA, FCA and other regulators in respect of the branch to the governing body and/ or the management body of the firm or, where appropriate, of the parent undertaking or holding company of the firm's group	
	Local responsibility for the branch's policies and procedures for countering the risk that the branch might be used to further <b>financial crime</b>	
	Local responsibility for the branch's compliance with <b>CASS</b>	

## 2.40 Remote booking

We consulted on guidance that said that a transaction booked, negotiated or arranged in a non-EEA branch should be treated as a transaction of the branch, even though other elements of the transaction may take place elsewhere in the wider firm, perhaps in a separate entity or outside the UK. We received feedback that the effect of this would be to require the relevant senior manager of the branch to be responsible for the whole transaction, which would be inappropriate and difficult to achieve in practice.

### Our response:

The intention of this guidance was to confirm that, when allocating local responsibility for a business area that includes transactions that are remote booked into the branch, that the local responsibility includes the booking of these transactions. We agree that the guidance consulted on could be read as going further than this, so we have amended the guidance to better reflect the original policy intention. The effect of the guidance now is to clarify that a branch cannot avoid allocating responsibility for activities that take place in the branch, just because those activities are part of wider transactions and other elements take place overseas. Where a senior manager has local responsibility for transactions that are remote booked into the branch, they will need to be



---

satisfied that there are appropriate systems and controls in place to ensure this is controlled effectively, in line with the senior manager conduct rules.

---

### EEA branches: Responsibilities maps

---

- 2.41** In our consultation we applied the responsibilities map requirements to EEA branches. However we also applied an overarching caveat that EEA branches need only include information in the map that is relevant for the identification of senior managers and their responsibilities, and how these fit into the wider governance arrangements of the branch. We received feedback that this approach was unclear as to what an EEA branch responsibilities map should include.

#### Our response:

By helping us to better understand how the branch is structured, the responsibilities map for EEA branches also helps us in carrying out effective supervision in respect of conduct of business, money laundering and other host state responsibilities.

We have amended our rules in relation to the responsibilities map requirements for EEA branches to make clear what the EEA branch responsibilities map should include. The rules now directly set out what an EEA branch responsibilities map should include, distinct from the requirements for UK relevant firms and non-EEA branches. As part of this change, we have removed certain requirements which do not relate to EEA branches, for example around the allocation of prescribed responsibilities.

The content of the responsibilities map may overlap to some extent with the information provided in the Programme of Operations provided when an EEA branch passports into the UK. In order to avoid duplication and to help reduce the burden on firms, we have amended the responsibilities map requirements for EEA branches such that they need only provide:

- Information which has changed since the passporting information was submitted, and has not been updated since; or
- Additional information not included in the passporting information.

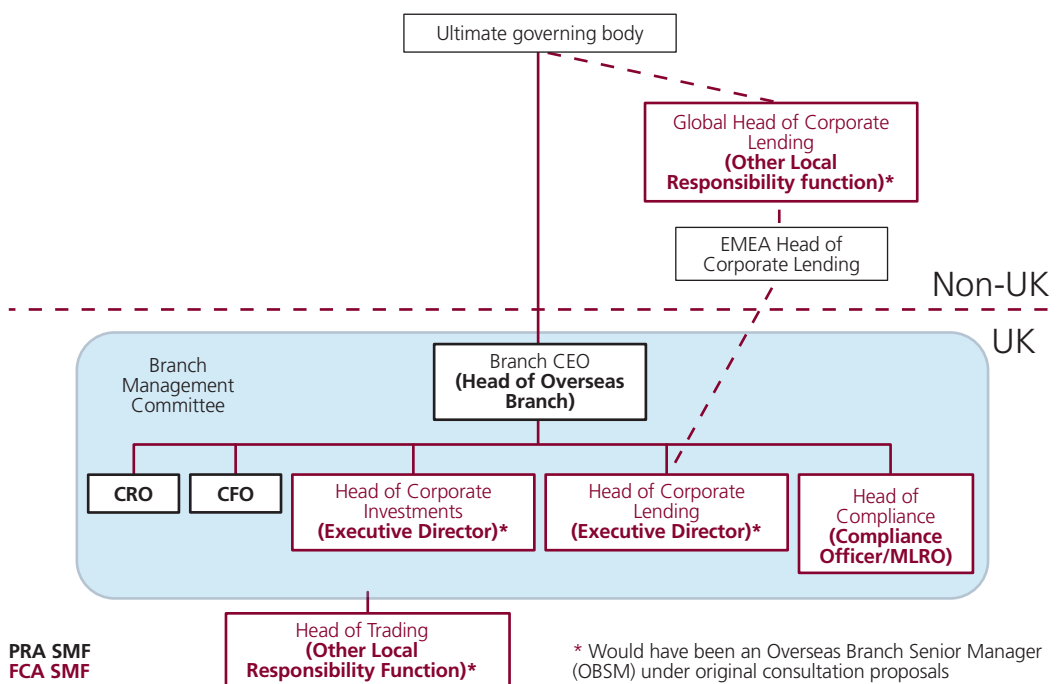
Where information is omitted in line with these new requirements, we will expect EEA branches to provide details of where such information may be found. In practice, we will have regard to both the passporting information and the additional and updated information when considering the responsibilities map for EEA branches. We therefore expect that firms may find it easier and more effective to combine any previous and updated information into a single document.

---

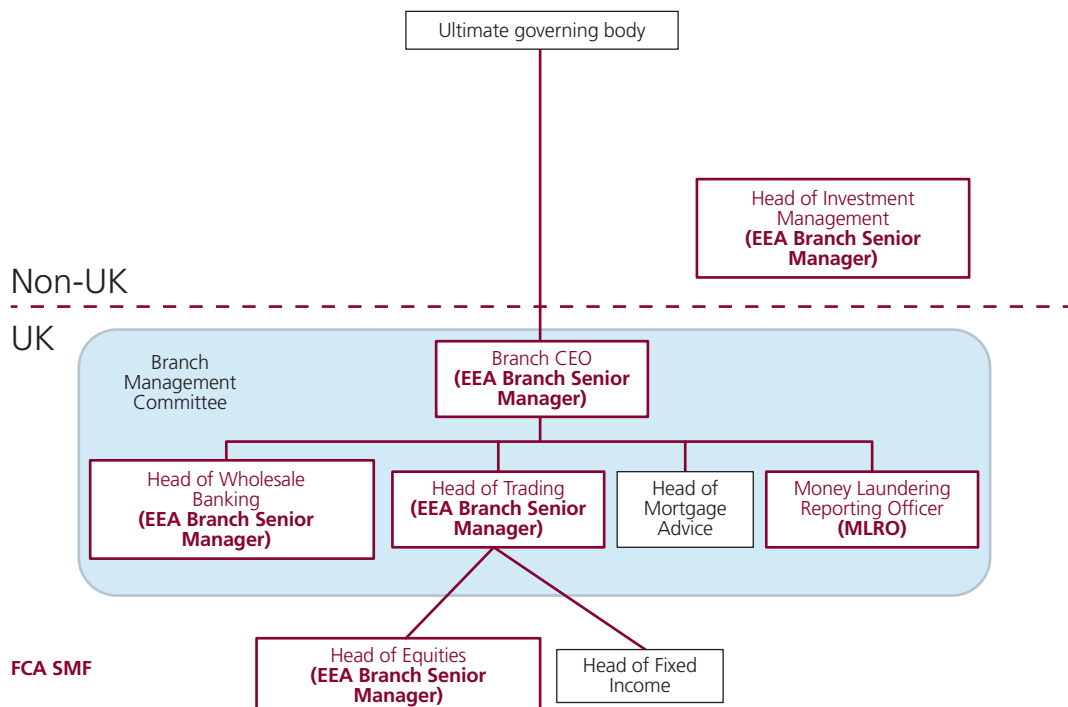


**Examples of how the FCA senior management functions and local responsibility requirements may operate in practice**

- 2.42 Some illustrative examples of how the FCA’s revised branch senior management functions may operate in practice are provided below. These examples are not intended to indicate how firms should structure themselves and should not be interpreted as guidance on the draft rules. What is a reasonable SMF structure will in practice depend on the structure, activities and governance arrangements of a branch.
- 2.43 **Scenario 1:** A large non-EEA bank has a UK branch led by a UK country head, who is approved by the PRA as *Head of Overseas Branch*. The Head of Corporate Investments has local responsibility for corporate investments and also acts as a director in relation to the branch on the branch management committee. Therefore, the Head of Corporate Investments requires approval to the *Executive Director* function only, and is allocated local responsibility for corporate investments in his statement of responsibilities
- 2.44 Most of the overall firm’s corporate lending business is carried out by the UK branch, and this is also the main activity of the UK branch. The Global Head of Corporate Lending, although based outside the branch management structure and the UK, is directly involved in the UK branch’s corporate lending activities and is the most senior person responsible for taking decisions in respect of corporate lending for the UK branch. Therefore, management of the branch’s corporate lending activities is under the Global Head of Corporate Lending, rather than the branch governing body, and the Global Head of Corporate Lending has local responsibility for it. The Global Head of Corporate Lending is therefore approved to the *Other local responsibility* function. The Head of Corporate Lending in the UK branch is approved to the *Executive Director* function as they act as a director in relation to the branch on the branch management committee.
- 2.45 The Head of Trading is not a member of the branch management committee but is directly accountable to it about the branch’s trading function. The Head of Trading therefore has local responsibility for trading and requires approval to the *Other local responsibility* function.



- 2.46 **Scenario 2:** A large EEA branch has a number of business lines which meet the definition of a significant business unit. Two of these business lines are headed by members of the branch management committee – the Head of Wholesale Banking the Head of Trading. Both these individuals are therefore approved to the *EEA branch senior manager* function.
- 2.47 There are two sub-business units which comprise the branch’s trading function. One of these meets the definition of a significant business unit and therefore the individual responsible for this area – the Head of Equities – also requires approval to the *EEA branch senior manager* function.
- 2.48 The final significant business unit is the branch’s investment management function. This is headed by an individual who is based outside the UK – the Head of Investment Management, who is also approved to the *EEA branch senior manager* function.
- 2.49 Another member of the branch management committee – the Head of Mortgage Advice – heads a business line which only includes activities that are not within scope of the EBSM, and is therefore not a significant business unit for the purposes of the FCA regulatory regime. The Head of Mortgage Advice therefore does not require regulatory pre-approval.
- 2.50 In this example the branch CEO is a member of committees which take decisions on wholesale banking, trading and investment management, and as such also meets the definition of the EBSM as they have significant responsibility for relevant activities.<sup>12</sup>



12 Whether individuals in EEA branches should be approved to senior management functions will also depend on whether their fitness and propriety is a matter reserved to the home member state.



## 3. Feedback on the Certification Regime

- 3.1** In this chapter, we discuss responses received to our proposals on the Certification Regime and the changes that we have made as a result. Respondents expressed concerns about the territorial application of the Certification, so here we give additional information about how certified persons overseas should be identified in practice. Respondents also expressed concern about accessing data relevant to fitness and propriety assessments from previous overseas employers. Finally, respondents asked us to be clearer on how particular significant harm functions apply in incoming branches.
- 3.2** Respondents were supportive of our intention to consult on the extension of the Certification Regime to more wholesale market activities, including trading, and noted that we should consider carefully the seniority of individuals to be captured and be clear on what products would be captured. We considered these points when developing our consultation proposals in CP15/22; this consultation is currently open and we welcome feedback from incoming branches on the proposals.

### Territorial scope of the Certification Regime

- 3.3** The Certification Regime for both UK relevant firms and non-EEA branches applies to individuals that are either based in the UK or dealing with a client in the UK (the territorial limitation). Respondents asked for clarity on the phrase 'a client in the UK'. Respondents challenged whether the UK branch should be expected to be aware of all contacts between UK clients and non-UK branch employees, and gave a particular example of an overseas research assistant receiving a phone call from a UK client as a result of their contact details being included in a research document.
- 3.4** In this context, 'dealing with' includes having any contact with UK clients. Respondents suggested that the scope of Certification be more closely linked to the nature of the contact with clients and should be limited to 'transactional' contact rather than, for example, where a more senior individual contacts a client for 'relationship' purposes.
- 3.5** For EEA branches, the Certification Regime applies only to individuals based in the UK. We received feedback which expressed concern that this could lead to an un-level playing field.

#### Our response:

The primary test of whether an individual is captured within the Certification Regime is whether they are performing a significant harm function as defined by the PRA and/or FCA. The territorial limitation then provides an additional override to this, so individuals cannot be captured in Certification by virtue of their 'dealing with a UK client' unless they are first within a significant harm function. Taking the particular examples raised in the consultation feedback,

research is not a significant harm function as specified by the regulators, so having contact with a UK client in this regard would not require such individuals to be certified. An individual having contact with a UK client for relationship purposes would also not need to be certified unless that individual was also performing a significant harm function.

However, there may be examples where overseas individuals that are within significant harm functions are contacted by UK clients. For example, an overseas individual should be certified before giving advice to UK clients, as the 'functions requiring qualifications' significant harm function would apply. We do not intend to make any changes to the territorial limitation in response to this particular feedback – all relevant firms will need to ensure employees are aware of what roles can only be performed by a certified person.

We have included additional guidance in our Handbook text clarifying how we interpret the phrase 'a client in the UK'. A client who is an individual is a 'client in the UK' if they are present in the UK at the time the contact takes place. If the client is a firm, a 'client in the UK' means an office or branch in the UK at the time the contact takes place. A client does not have to be permanently resident or incorporated in the UK to be a 'UK client' for the purposes of the Certification Regime.

Finally, we do not consider that the scope of the Certification Regime for EEA branches results in an un-level playing field. For EEA branches the regulatory regimes of both the home and host state must be considered together.

### The significant harm functions – clarifications

- 3.6** We received some further specific requests for clarity around the significant harm functions. We noted in the consultation that certain functions would be restricted so that they apply only in relation to the branch, and respondents requested further clarity on this. Respondents also requested clarity around the scope of the Material Risk Takers significant harm function.
- 3.7** We also received feedback requesting clarity about what is covered within the 'functions requiring qualifications' significant harm function for EEA branches. In our engagement with overseas regulators the question of whether EEA branches could consider home state qualifications when assessing fitness and propriety was also raised.

#### Our response:

Significant Management: We consulted on limiting this significant harm function to apply only in relation to the branch. Limiting the scope of this function ensures that it applies only to activities of the branch, to prevent the function from capturing individuals in the wider firm that are not involved with the activities of the branch.

Material Risk Takers: We have adjusted this significant harm function in the final rules for UK relevant firms to make clear that this applies only to members of

staff who are subject to the Remuneration Code (SYSC 19D). This change will also apply for incoming branches.

There is an overarching provision in our handbook text which highlights that, for EEA branches, the Certification Regime does not apply where this would be inconsistent with the single market directives. In other words, an individual would not be considered to be performing a certified function where this would be a matter reserved to the home member state. The UK has an obligation under the single market directives to supervise the conduct of incoming EEA branches in the UK, and we believe that most certified persons will be performing roles that are relevant to conduct supervision and will therefore be within the scope of our responsibilities as the host state regulator. However there may be a limited number of individuals, particularly in the Material Risk Takers category, whose role is not related to UK conduct in any way, and therefore are not required to be certified.

Functions requiring qualifications: This significant harm function applies to individuals that are performing any of the roles set out in our Training and Competence Sourcebook (TC APP 1.1.1R). For EEA branches, this function applies to individuals that would be performing one of these roles as if they were performing it from a UK relevant firm or non-EEA branch. This does not switch on the UK qualification requirements in TC for individuals performing these roles in EEA branches. EEA branches are able to consider the relevant home state qualifications as part of the assessment of fitness and propriety for individuals performing these roles, in line with the relevant single market directives, although they may also use the UK qualifications if they wish.

CASS Oversight: We have also updated our rules in respect of EEA branches with a top-up permission. Under the current APR, the CASS Oversight (CF10a) function applies to EEA branches with a top-up permission. Under the new accountability regime, the CASS Oversight role is currently included in the significant harm functions for UK relevant firms and non-EEA branches. We have therefore amended our rules to ensure that this significant harm function also applies to EEA branches with a top-up permission to capture individuals involved with the branch's CASS activities.

---

## Obtaining relevant information

---

- 3.8** Under the Certification Regime, relevant firms are required to assess the fitness and propriety of certified persons at appointment and on an ongoing basis. We consulted on regulatory reference requirements for incoming branches, similarly to the regime for UK relevant firms. We received feedback that incoming branches may find it difficult to obtain regulatory references, or the information necessary to certify individuals, from previous employers abroad. Respondents also requested confirmation on whether branches are required to undertake criminal records checks for individuals being assessed for certified roles.

---

**Our response:**

Under the original consultation proposals, incoming branches were required to request regulatory references from non-regulated firms, such as previous employers abroad, in the same way as UK relevant firms. Firms will have complied with this reference rule if they take all reasonable steps to obtain all relevant information from previous employers, and we recognise that in this situation relevant firms cannot guarantee that they will receive all the requested information. Firms would need to consider, based on the information they receive, whether the information is sufficient to satisfy them that the individual is fit and proper before issuing a certificate.

We noted in CP15/22 that we will consult separately on regulatory references, to take into account feedback received to the Fair and Effective Markets Review (FEMR). Any such consultation would include proposals and draft Handbook text in this area for both UK relevant firms and incoming branches; therefore we have not included Handbook text on regulatory references in this paper.

As with the regime for UK relevant firms, our rules do not require incoming branches to carry out criminal records checks for individuals applying for roles that come under the Certification Regime. Firms may still choose to employ such checks for these individuals, where they are legally allowed to do so. This does not diminish the responsibility on firms to ensure the fitness and propriety of their staff.

---

## 4. Feedback on the Conduct Rules

- 4.1** In this chapter, we discuss responses received to our proposals on the Conduct Rules for incoming branches. We received feedback on the scope of application of the Conduct Rules for both non-EEA and EEA branches and on the proposed timing for the reporting of Conduct Rule breaches for senior managers.
- 4.2** In CP15/22 we set out our revised approach to reporting of suspected or known breaches of the Conduct Rules, focusing on the frequency of reporting. This approach applies equally to incoming branches. We also noted in CP15/22 that we are continuing to consider whether to issue further guidance in the future on the reporting of Conduct Rule breaches. Any such guidance would apply to both UK relevant firms and incoming branches.

### Scope of application of the Conduct Rules

#### EEA branches: Application of the Conduct Rules

- 4.3** We consulted on the basis that individuals in EEA branches would be subject to the Conduct Rules; however the Conduct Rules will only apply to staff in EEA branches in relation to matters that are within the UK's scope of responsibilities as the host state regulator – the 'single market override'. This mirrors an existing provision under the APR which currently applies to approved persons in EEA branches. Respondents requested examples of matters that would be outside the UK's scope of responsibilities and where, as such, the Conduct Rules would not apply for individuals in EEA branches. In our engagement with overseas regulators the issue of whether and how we would inform other EEA regulators of conduct rules breaches that concern matters reserved to the home member state was also raised.

#### Our response:

The effect of the single market override is that where a particular conduct rule covers a matter reserved to the home member state, the conduct rules and the associated requirements to report breaches do not apply. As each case is unique, it is not possible to give clear universal examples of circumstances that would be reserved to the home member state. Whether a conduct rule breach would be a matter reserved to the home member state will depend on the particular circumstances of the breach and will have to be determined by firms on a case-by-case basis. As noted above, this requirement mirrors an existing provision under the APR and therefore the judgement a firm would make about whether a particular set of circumstances resulting in a conduct rule breach is a matter for the home state will involve the same considerations as a breach of the Statements of Principle and Code of Practice for Approved Persons (APER) currently.



As set out above, where a breach of a conduct rule is a matter reserved to the home member state, branches are not required to report this to the FCA. However, if such breaches are brought to our attention, we would notify the home state regulator where appropriate in line with our risk-based supervisory approach.

#### **Non-EEA branches: Territorial scope of the Conduct Rules**

- 4.4** For Conduct Rules staff (other than senior managers, to whom the Conduct Rules apply without any territorial limitation) the Conduct Rules apply to individuals that are based in the UK or dealing with a UK client. We received feedback suggesting that the scope of the Conduct Rules for non-EEA branches should be limited to individuals that are based in the UK, in line with the regime for EEA branches, to mitigate the risk that requirements imposed by the home state regulator overlap with the Conduct Rules.

##### **Our response:**

We think it is very important that individuals at all levels, apart from ancillary staff, are subject to the Conduct Rules. The Conduct Rules will apply in relation to the activities of the branch only. We are not aware of any examples where a home state has imposed standards which could be problematic or cause a conflict for Conduct Rules staff. Therefore, we are not making any amendments to the rules in this regard.

#### **Reporting of Conduct Rule breaches for senior managers**

- 4.5** For all relevant firms, including incoming branches, we have proposed that actual or suspected breaches by a senior manager should be reported within seven days. We received feedback that this timeframe is too short to allow for investigations to establish whether a breach has taken place. Respondents also suggested that this timeframe should be amended to accommodate seven working days in both the UK and the country in which the senior manager is based. Finally, respondents requested examples of what would be considered a breach of the Conduct Rules.

##### **Our response:**

The Act requires notification of both suspected and known breaches of the Conduct Rules. Therefore, if a firm suspects a breach may have taken place but, for example, has not completed its investigations into the matter, the firm would be required to submit a notification of a suspected breach within seven days. When the firm then subsequently determines whether the breach did in fact take place, it should update its previous notification with this information. Both the original notification and the updated notification should be submitted via a Form C or D.

We think it is important that we are notified of senior manager conduct rule breaches promptly, and consider that seven calendar days remains an appropriate timeframe for both UK relevant firms and incoming branches.

The rules as consulted on for UK relevant firms include detailed guidance on compliance with the Conduct Rules for senior managers. In CP15/10, we consulted on additional guidance for senior managers in incoming branches in relation to implementing strategy set by the wider firm or group. We have retained this in our handbook text, with certain amendments to further clarify our expectations of senior managers in these cases.

---

## 5. Forms and transition to the new regime

- 5.1** In this chapter, we discuss feedback received on the forms for incoming branches and the changes we have made as a result. We also discuss arrangements for grandfathering individuals that are currently approved persons in incoming branches into the new Senior Managers Regime.

### Forms

- 5.2** We consulted on revisions to Forms A and E and a new Form J (Statement of Responsibilities) for incoming branches. We received feedback that was in line with the comments provided to our consultation on forms for UK relevant firms, for example a suggestion that the Form J should be an Annex to the Form A, rather than a standalone form. We also received a query as to how a particular question on the Long Form A relating to references from previous employers (5.05.4) should be applied in relation to internal transfers.

#### Our response:

##### Form A and E:

We have updated the long and short Forms A and E for incoming branches to bring these in line with the final forms for UK relevant firms and the policy for incoming branches set out in this paper. For example, we have made changes to reflect the revised list of senior management functions for non-EEA branches and have removed certain questions regarding criminal investigations and charges<sup>14</sup> in the Form As.

In response to the feedback on question 5.05.4 of the Long Form A; if the reason for reporting to the regulators is an internal transfer, the Short Form A or Form E are likely to be more applicable.

##### Statement of Responsibilities:

We have amended the Statement of Responsibilities forms in line with the structure of the final forms for UK relevant firms, including providing separate Statement of Responsibilities forms for use at grandfathering and post-implementation. We consulted on a single Statement of Responsibilities form for non-EEA and EEA branches combined, in which certain sections did not apply to EEA branches. We have now instead provided separate and distinct Statement of Responsibilities forms for non-EEA and EEA branches. The Statement of Responsibilities template for non-EEA branches reflects the revised

<sup>14</sup> As noted in CP15/22, these questions will be subject to further review by us and the PRA.

branch prescribed responsibilities and the revised rules on local responsibility. The Statement of Responsibilities template for EEA branches omits certain sections relating to the allocation of responsibilities where these do not apply to EEA branches.

The Statement of Responsibilities template may be submitted to the regulators in conjunction with a number of forms (Form A, Form E, Form I or Form J). Therefore, it would not be appropriate to include the Statement of Responsibilities solely as an Annex to Form A. However, when completing a Form A application online, firms will also be presented with the relevant questions to complete in respect of the individual's statement of responsibilities. In practice, the Statement of Responsibilities will therefore operate as an 'annex' to the Form A when completed online.

---

### **Grandfathering**

---

- 5.3** We have set out information on grandfathering existing approved persons into the SMR and preparing for the new regime in CP15/22.
- 5.4** By 8 February 2016 all firms must submit a grandfathering notification that informs the regulators of how the firm proposes to grandfather existing approved persons into the new regime. In light of the changes to the list of senior management functions in non-EEA branches set out in this paper, an updated grandfathering mapping for incoming branches is below.
- 5.5** In addition to the Treasury Order extending the definition of relevant authorised person to incoming branches, a separate order allowing incoming branches to grandfather existing approved persons into senior manager functions is expected to be made later this year. Our rules for incoming branches will not be made final until after both orders have been made final.
- 5.6** However, incoming branches should start preparing for grandfathering before this in line with the mapping below and in our near-final rules. We understand that firms may have some queries as they prepare for the regime. Firms with an allocated supervisor should direct their queries to them. Other firms should call the FCA contact centre on 0300 500 0597 (or contact us through one of the other methods described at <http://www.fca.org.uk/site-info/contact>).

**Figure 7**

<b>Column 1</b>	<b>Column 2</b>	<b>Column 3</b>
Current controlled function	New PRA-designated senior management function	New FCA-designated senior management function
<i>All non-EEA branches</i>		
The following <i>PRA controlled function</i> : Director function (CF1)	The following PRA-designated senior management functions: 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 (SMF3)
The <i>PRA's non-executive director controlled function</i> (CF2)	Group Entity Senior Manager (SMF7)	None
The <i>PRA's Chief executive controlled function</i> (CF3)	Head of Overseas Branch (SMF19)	None
The <i>PRA's Systems and Controls controlled function</i> (CF28)	Chief Finance function (SMF2) Chief Risk function (SMF4) Head of Internal Audit (SMF5)	Other local responsibility function (SMF22)
The <i>significant management function</i> (CF29)	Head of Overseas Branch (SMF19) Group Entity Senior Manager (SMF7)	Other local responsibility function (SMF22)
<i>All non-EEA branches to which the function in the first column applies</i>		
<i>Compliance oversight function</i> (CF10)	None	Compliance oversight function (SMF16)
<i>CASS operational oversight function</i> (CF10A)	None	Other local responsibility function (SMF22)
<i>Money laundering reporting function</i> (CF11)	None	Money laundering reporting function (SMF17)
<i>All EEA branches</i>		
<i>Money laundering reporting function</i> (CF11)	None	Money laundering reporting function (SMF17)
<i>The significant management function</i> (CF29)	None	EEA branch senior manager function (SMF21)

## Annex 1: List of non-confidential respondents

Australia and New Zealand Banking Group Limited

British Bankers' Association, Association for Financial Markets in Europe and Association of Foreign Banks (joint response)

Financial Services Consumer Panel

Japanese Bankers Association

Royal Bank of Scotland

# Appendix 1: Near-final Handbook text (legal instrument)

## ACCOUNTABILITY (FOREIGN BRANCHES) INSTRUMENT 2015

### Powers exercised

- A. The Financial Conduct Authority 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 59 (Approval for particular arrangements);
  - (2) section 60 (Applications for approval);
  - (3) section 60A (Vetting candidates by relevant authorised persons);
  - (4) section 63ZD (Statement of policy relating to conditional approval and variation);
  - (5) section 63E (Certification of employees by relevant authorised persons);
  - (6) section 63F (Issuing of certificates);
  - (7) section 64A (Rules of conduct);
  - (8) section 137A (The FCA’s general rules);
  - (9) section 137T (General supplementary powers);
  - (10) section 139A (Power of the FCA to give guidance);
  - (11) section 395 (The FCA’s and PRA’s procedures); and
  - (12) [Grandfathering Order – to follow]
- B. The rule-making powers listed above are specified for the purpose of section 138G (Rule-making instruments) of the Act.

### Commencement

- C. The instrument comes into force on 7 March 2016.

### Amendments to the Handbook

- D. The modules of the FCA’s Handbook of rules and guidance listed in column (1) below are amended in accordance with the Annexes in this instrument listed in column (2) below:

(1)	(2)
Glossary of definitions	Annex A
Senior Management Arrangements, Systems and Controls (SYSC)	Annex B
The Fit and Proper test for Approved Persons (FIT)	Annex C
Code of Conduct sourcebook (COCON)	Annex D
Client Assets sourcebook (CASS)	Annex E
Supervision manual (SUP)	Annex F

### Amendments to material outside the Handbook

- E. The Perimeter Guidance Manual (PERG) is amended in accordance with Annex G to this instrument.



**Citation**

F. This instrument may be cited as the Accountability (Foreign Branches) Instrument 2015.

By order of the Board of the Financial Conduct Authority  
[*date*]

## Annex A

### Amendments to the Glossary

[*Editor's note:* the base text throughout is the current Handbook text including the amendments made by the Individual Accountability Instrument 2015 (FCA 2015/31) and the Solvency II Directive (Firm Accountability) Instrument 2015.]

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

Insert the following new definitions in the appropriate alphabetical position. The text is not underlined.

- EEA branch senior manager function*      *FCA controlled function* SMF21 in Part 2 of the table in SUP 10C.4.3R (Table of FCA controlled functions for relevant authorised persons), described more fully in SUP 10C.8.4R.
- EEA relevant authorised person*      an *incoming firm* which is a relevant authorised person in accordance with article 2 of the Financial Services and Markets Act 2000 (Relevant Authorised Persons) Order 2015 which, in summary, is an *incoming EEA firm* or *incoming Treaty firm* that meets the following conditions:
- (1) it has a *branch* in the *United Kingdom*; and
  - (2) it does not have *permission* for *effecting contracts of insurance* or *carrying out contracts of insurance*; and
  - (3) it meets one of the following conditions:
    - (a) it is a *credit institution* which has a *permission* under Part 4A, Schedule 3 or Schedule 4 of the *Act* that includes *accepting deposits*; or
    - (b) it meets all the following conditions:
      - (i) the institution is an *investment firm*; and
      - (ii) it has a *permission* under Part 4A, Schedule 3 or Schedule 4 of the *Act* that covers *dealing in investments as principal*; and
      - (iii) when carried on by it, that activity is a *PRA-regulated activity*.
- non-UK relevant authorised*      (1) an *EEA relevant authorised person*; or

<i>person</i>	(2) <i>a third-country relevant authorised person.</i>
<i>other local responsibility function</i>	<i>FCA controlled function</i> SMF22 in Part 3 of the table in <i>SUP</i> 10C.4.3R (Table of FCA controlled functions for relevant authorised persons), described more fully in <i>SUP</i> 10C.8.1R.
<i>PRA-prescribed UK branch senior management responsibility</i>	a “UK branch prescribed responsibility” in Chapter 6 of the part of the <i>PRA</i> ’s rulebook called Allocation of Responsibilities.
<i>third-country relevant authorised person</i>	<p>a non-UK institution other than an <i>incoming firm</i> which is a relevant authorised person in accordance with article 2 of the Financial Services and Markets Act 2000 (Relevant Authorised Persons) Order 2015 which, in summary, is a non-UK institution other than an <i>incoming firm</i> that meets the following conditions:</p> <ol style="list-style-type: none"> <li>(1) it has a <i>branch</i> in the <i>United Kingdom</i>; and</li> <li>(2) it is not an institution that has <i>permission</i> for <i>effecting contracts of insurance or carrying out contracts of insurance</i>; and</li> <li>(3) it meets one of the following conditions: <ol style="list-style-type: none"> <li>(a) it is a <i>credit institution</i> which has a <i>Part 4A permission</i> that includes <i>accepting deposits</i>; or</li> <li>(b) it meets all the following conditions: <ol style="list-style-type: none"> <li>(i) the institution is an <i>investment firm</i>; and</li> <li>(ii) its <i>Part 4A permission</i> covers <i>dealing in investments as principal</i>; and</li> <li>(iii) when carried on by it, that activity is a <i>PRA-regulated activity</i>.</li> </ol> </li> </ol> </li> </ol>
<i>UK relevant authorised person</i>	<p>has the meaning in section 71A of the <i>Act</i> (‘relevant authorised person’) which, in summary, is an institution that meets the following conditions:</p> <ol style="list-style-type: none"> <li>(1) it is incorporated in, or formed under the law of any part of, the <i>United Kingdom</i>;</li> <li>(2) it does not have <i>permission</i> for <i>effecting contracts of insurance or carrying out contracts of insurance</i>; and</li> <li>(3) it meets one of the following conditions: <ol style="list-style-type: none"> <li>(a) its <i>Part 4A permission</i> includes <i>accepting</i></li> </ol> </li> </ol>

*deposits; or*

- (b) it meets all the following conditions:
  - (i) the institution is an *investment firm*; and
  - (ii) its *Part 4A permission* covers *dealing in investments as principal*; and
  - (iii) when carried on by it, that activity is a *PRA-regulated activity*.

Amend the following definitions as shown.

<i>FCA governing functions</i>	any of the following <i>FCA controlled functions</i> : <ul style="list-style-type: none"><li>(a) (for <i>relevant authorised persons</i>) <i>FCA controlled functions</i> SMF3 and SMF13 in <u>Parts 1 and 3</u> of the table in <i>SUP 10C.4.3R</i> (Table of <i>FCA controlled functions</i> for relevant authorised persons);</li><li>...</li></ul>
<i>FCA-prescribed senior management responsibilities</i>	<ul style="list-style-type: none"><li>(a) (for <i>UK relevant authorised persons</i>) the responsibilities in <i>SYSC 4.7.7R</i> (Table: <i>FCA-prescribed senior management responsibilities</i>);</li><li>(b) (for <i>third-country relevant authorised persons</i>) the <u>responsibilities in <i>SYSC 4.8.9R</i> (Table: <i>FCA-prescribed senior management responsibilities for third-country relevant authorised persons</i>)</u>.</li><li>...</li></ul>
<i>FCA required functions</i>	any of the following <i>FCA controlled functions</i> : <ul style="list-style-type: none"><li>(a) (for <i>relevant authorised persons</i>) <i>FCA controlled functions</i> SMF16 and SMF17 in <del>Part 4</del> <u>Parts 1 to 3</u> of the table in <i>SUP 10C.4.3R</i> (Table of <i>FCA controlled functions</i> for relevant authorised persons); and</li><li>...</li></ul>
<i>management responsibilities map</i>	the document describing the management arrangements of a <i>relevant authorised person</i> required by <i>SYSC 4.5.4R</i> , <u><i>SYSC 4.6.6R</i></u> , or <u><i>SYSC 4.6.15R</i></u> .

*money laundering reporting function*

...

(in the *FCA Handbook*):

- (1) (for *relevant authorised persons*) *FCA controlled function* SMF17 in ~~Part 1~~ Parts 1 to 3 of the table in SUP10C.4.3R (Table of FCA controlled functions for relevant authorised persons), described more fully in SUP 10C.6.2R; and

...

*relevant authorised person*

~~has the meaning in section 71A of the Act ('relevant authorised person')~~ which, in summary, is an institution that meets the following conditions:

- ~~(a)~~ it is incorporated in, or formed under the law of any part of, the *United Kingdom*;
- ~~(b)~~ it does not have *permission for effecting contracts of insurance or carrying out contracts of insurance*; and it meets one of the following conditions:
  - ~~(1)~~ its *Part 4A permission* includes *accepting deposits*; or
  - ~~(2)~~ it meets all the following conditions:
    - ~~(A)~~ the institution is an *investment firm*; and
    - ~~(B)~~ its *Part 4A permission* covers *dealing in investments as principal*; and
    - ~~(C)~~ when carried on by it, that activity is a *PRA-regulated activity*.
- (1) an EEA relevant authorised person; or
- (2) a third country relevant authorised person; or
- (3) a UK relevant authorised person.

## Annex B

### Amendments to the Senior Management Arrangements, Systems and Controls sourcebook (SYSC)

[*Editor's note:* the base text throughout is the current Handbook text including the amendments made by the Individual Accountability Instrument 2015 (FCA 2015/31) and the Individual Accountability (Solvency II and Consequentials) Instrument 2015 (FCA 2015/43).]

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

#### 4.5 Management responsibilities maps for UK relevant authorised persons

Application

4.5.1 R This section applies to UK relevant authorised persons.

...

Insert the following new section after SYSC 4.5. All the text is new and is not underlined.

#### 4.6 Management responsibilities maps for non-UK relevant authorised persons

Application

4.6.1 R This section applies to:

(1) *EEA relevant authorised persons*; and

(2) *third-country relevant authorised persons*;

regarding their activities in relation to a *branch* maintained by them in the *United Kingdom*.

4.6.2 R There is no territorial limitation on the application of SYSC 4.6, save as set out in SYSC 4.6.1R.

4.6.3 R This section is not limited to *regulated activities* or other specific types of activities.

4.6.4 G *EEA relevant authorised persons* and *third-country relevant authorised person* are referred to as *non-UK relevant authorised persons*.

## Purpose

- 4.6.5 G (1) This section sets out the rules about *management responsibilities maps* for *branches* maintained in the *United Kingdom* by:
- (a) *third-country relevant authorised persons* (see SYSC 4.6.6R to SYSC 4.6.14G);
  - (b) *EEA relevant authorised persons* (see SYSC 4.6.15R to SYSC 4.6.28G).
- (2) This section is not intended to extend the application of the *common platform requirements* to matters which are reserved by an *EU* instrument to the *firm's Home State regulator* in relation to *EEA relevant authorised persons*.

## General rule for third-country relevant authorised persons

- 4.6.6 R A *third-country relevant authorised person* must, at all times, have a comprehensive and up-to-date document (the *management responsibilities map*) that describes the management and governance arrangements for any *branch* it maintains in the *United Kingdom*, including:
- (1) details of the reporting lines and the lines of responsibility; and
  - (2) reasonable details about:
    - (a) the *persons* who are part of those arrangements; and
    - (b) their responsibilities.

(See further requirements in SYSC 4.6.9R).

- 4.6.7 R The *third-country relevant authorised person's management responsibilities map* for a *branch* must show clearly how any responsibilities covered by that *management responsibilities map* are shared or divided between different *persons*.

- 4.6.8 G (1) One purpose of the *management responsibilities map* for *third country relevant authorised persons* is to help the *firm* and the *FCA* satisfy themselves that the *branch* has a clear organisational structure (as required by SYSC, where applicable).
- (2) It also helps the *FCA* to identify who it needs to speak to about particular issues and who is accountable if something goes wrong.

## Specific requirements for third-country relevant authorised persons

- 4.6.9 R (1) A *management responsibilities map* for a *branch* maintained by a *third-country relevant authorised person* must include the matters listed in SYSC 4.5.7R, subject to the modifications in (2).

- (2) Unless the context requires otherwise, the following terms in SYSC 4.5.7R are modified as follows:

Reference in SYSC 4.5.7R	Modification
<i>firm</i>	treated as a reference to the <i>branch</i>
<i>governing body, management body, senior management and senior personnel</i>	(a) treated as a reference to the <i>branch's governing body, management body,, senior management or senior personnel</i>  (b) the <i>Glossary</i> definition of these terms are adjusted so as to refer to the <i>branch</i> rather than the <i>firm</i> as a whole
<i>group</i>	treated as including the rest of the <i>firm</i>
<i>PRA-prescribed senior management responsibilities</i>	treated as a reference to <i>PRA-prescribed UK branch senior management responsibilities</i>
functions allocated under SYSC 4.7.8R (Allocation of overall responsibility for a <i>firm's</i> activities, business areas and management functions)	treated as a reference to functions allocated under SYSC 4.8.10R (Local responsibility for a <i>branch's</i> activities, business areas and management functions)

- 4.6.10 R SYSC 4.6.9R(1) does not require the *firm* to include the names of *approved persons* under SUP 10A.1.16BR (Appointed representatives).

Single document

- 4.6.11 R A *management responsibilities map* for a *branch* maintained by a *third-country relevant authorised person* must be a single document.

Guidance about management responsibilities maps for a branch maintained by a third-country relevant authorised person

- 4.6.12 G (1) The *management responsibilities map* should be consistent with the *statements of responsibilities*.
- (2) The *statements of responsibilities* and the *management responsibilities map* should all be prepared in a way that makes it simple to see how the responsibilities allocated in a particular *statement of responsibilities* fit into the overall system of management and governance of the *firm*.



4.6.13 G The *management responsibilities map* for a *branch* maintained by a *third-country relevant authorised person* should include functions that are:

- (1) included in a *PRA controlled function* under SUP 10C.9 (Minimising overlap with the PRA approved persons regime); or
- (2) excluded from the *other local responsibility function* under SUP 10C.8.1R(2) (Exclusion for *approved person* with approval to perform other *designated senior management functions*).

4.6.14 G (1) The *guidance* below applies to *management responsibilities maps* for *branches* maintained by *third-country relevant authorised persons*, subject to the modifications in (2):

- (a) SYSC 4.5.11G to SYSC 4.5.12G (Guidance about management responsibilities maps);
- (b) SYSC 4.5.15G (Single document);
- (c) SYSC 4.5.16G to SYSC 4.5.17G (Purpose of SYSC 4 Annex 1G (The main business activities and functions of a relevant authorised person));
- (d) SYSC 4.5.18G to SYSC 4.5.20G (Contents of SYSC 4 Annex 1G (The main business activities and functions of a relevant authorised person));
- (e) SYSC 4 Annex 1G (The main business activities and functions of a relevant authorised person); and
- (f) SYSC 4.5.21G to SYSC 4.5.22G (Records).

(2) Unless the context otherwise requires, the following terms and cross-references in the *guidance* in (1) are modified as follows:

Reference in guidance in (1)	Modification
<i>firm</i>	treated as a reference to the <i>branch</i>
<i>governing body, senior management and senior personnel</i>	(a) treated as a reference to the <i>branch's governing body, senior management or senior personnel</i>  (b) the <i>Glossary</i> definition of these terms are adjusted so as to refer to the <i>branch</i> rather than the <i>firm</i> as a whole
<i>other overall responsibility function</i>	treated as a reference to the <i>other local responsibility function</i>

SYSC 4.5.4R	treated as a reference to SYSC 4.6.6R
SYSC 4.5.7R	subject to modification under SYSC 4.6.9R(2)
the reference to SYSC 4.5.13G in SYSC 4.5.15G(5)	treated as a reference to SYSC 4.6.29G

Management responsibilities maps for EEA relevant authorised persons:  
General rule

- 4.6.15 R *An EEA relevant authorised person must, at all times, have a comprehensive and up-to-date document (the management responsibilities map) that describes the management and governance arrangements for any branch it maintains in the United Kingdom, including:*
- (1) details of the reporting lines and the lines of responsibility; and
  - (2) reasonable details about:
    - (a) the *SMF managers* who carry out activities in relation to the *branch*; and
    - (b) their responsibilities.
- 4.6.16 R *The EEA relevant authorised person’s management responsibilities map for a branch must show clearly how any responsibilities covered by that management responsibilities map are shared or divided between different persons.*

Responsibilities maps for EEA relevant authorised persons: purpose

- 4.6.17 G
- (1) *The management responsibilities map is an important support to the FCA’s functions as Host State competent authority.*
  - (2) *Having requirements and powers that apply directly to individuals helps to make the requirements on firms that the FCA is required or entitled to impose as Host State competent authority more effective.*
  - (3) *The management responsibilities map helps the FCA to operate its powers and requirements for individuals. For example it helps the FCA:*
    - (a) *to identify who is accountable if something goes wrong;*
    - (b) *to understand the role of the approved person (or candidate) in the branch and therefore to judge how to use its powers under the approved persons regime, such as the power to grant or refuse approval.*

- (4) By helping the *FCA* to better understand how the *branch* is structured, the *management responsibilities map* also helps the *FCA* to carry out more effective supervision of conduct of business, money laundering and other *Host State* responsibilities.

Responsibilities maps for EEA relevant authorised persons: detailed requirements

- 4.6.18 R A *management responsibilities map* for a *branch* maintained by an *EEA relevant authorised person* must include:
- (1) (a) the names of all the *branch's*:
    - (i) *approved persons*;
    - (ii) members of its *governing body* and (if different) *management body* who are not *approved persons*;
    - (iii) *senior management*; and
    - (iv) *senior personnel*; and
  - (b) details of the responsibilities which they hold;
  - (2) all responsibilities described in any current *statement of responsibilities*;
  - (3) matters reserved to the *governing body* of the *branch*, or equivalent, (including the terms of reference of its committees) and, if different, the *management body*;
  - (4) details of how the *branch's* management and governance arrangements fit together with:
    - (a) the wider *firm*;
    - (b) its *group*; and
    - (c) any other *person* in (5);
  - (5) details of the extent to which the *branch's* management and governance arrangements are provided by, or shared with, other members of its *group*, the wider *firm*, or others;
  - (6) details of the reporting lines and the lines of responsibility (if any) between the *branch* and those who carry out functions in relation to them and:
    - (a) other members of its *group*, , other third parties or the wider *firm*;
    - (b) *persons* acting as employees or officers of, or otherwise

acting for, anyone in (a); or

- (c) committees or other bodies of anyone in (a);
- (7) reasonable information about the *persons* described or identified in the *management responsibilities map*, including:
  - (a) whether they are *employees* of the *firm* and, if not, by whom they are employed;
  - (b) if they are *certification employees* of the *firm*; and
  - (c) the responsibilities they have in relation to the wider *firm*, other *group* members or any other *person* in (5); and
- (8) details of how (1) to (7) fit together and fit into the *branch's* management and governance arrangements as a whole.

4.6.19 R SYSC 4.6.18R(1) does not require the *firm* to include the names of *approved persons* under SUP 10A.1.16BR (Appointed representatives).

Responsibilities maps for EEA relevant authorised persons: leaving out information already supplied

4.6.20 R An *EEA relevant authorised person* may exclude from its *management responsibilities map*:

- (1) any information contained in its *requisite details*;
- (2) any information contained in any notice of changes to its *requisite details* under the *EEA Passport Rights Regulations*; and
- (3) any other information that has been supplied by the *firm* to the *FCA* or the *PRA* (including through the *firm's Home State competent authority*) if:
  - (a) that information was supplied to the *FCA* or the *PRA* as a *Host State competent authority* for *credit institutions* or *investment firms*; and
  - (b) the *Single Market Directives* or any other *EU* legislation provides for the supply of that information to the *FCA* or the *PRA* as described in (a).

4.6.21 G Information contained in SYSC 4.6.20R(1) and (2) covers:

- (1) details about the *branch* contained in the notice given by the *firm's Home State competent authority* as part of the process for establishing the *branch* in the *United Kingdom*; and
- (2) any updates to that information under the *EEA Passport Rights Regulations*.

- 4.6.22 G The *management responsibilities map* of an *EEA relevant authorised person's* may therefore consist of information:
- (1) that has changed since its *requisite details* were supplied or were last changed; or
  - (2) that is not covered in the *firm's Home State competent authority's* passport notification.
- 4.6.23 G The *FCA* expects that an *EEA relevant authorised person* that excludes information from its *management responsibilities map* under *SYSC 4.6.20R* will identify in its *management responsibilities map* the documents supplied to the *FCA* or the *PRA* where the omitted information can be found.
- 4.6.24 G In practice an *EEA relevant authorised person* may find it easier to prepare its *management responsibilities map* without omitting any information under *SYSC 4.6.20R* so that all the information referred to in *SYSC 4.6.15R* to *SYSC 4.6.19R* can be found in a single integrated document.

Management responsibilities maps for EEA relevant authorised persons: Single document

- 4.6.25 R A *management responsibilities map* for a *branch* maintained by an *EEA relevant authorised person* must be a single document.

Management responsibilities maps for EEA relevant authorised persons:  
Guidance about what should be included

- 4.6.26 G *SYSC 4.6.27G* and *SYSC 4.6.28G* do not take into account the right of a *firm* to omit information under *SYSC 4.6.20R*. They assume that the *firm* will prepare a single document under *SYSC 4.6.24G*. However *SYSC 4.6.27G* and *SYSC 4.6.28G* are not intended to take away the right to omit information under *SYSC 4.6.20R*.
- 4.6.27 G
- (1) The *management responsibilities map* should be consistent with the *statements of responsibilities*.
  - (2) The *statements of responsibilities* and the *management responsibilities map* should be prepared in a way that makes it simple to see how the responsibilities allocated in a particular *statement of responsibilities* fit into the overall system of management and governance of the *branch*.
- 4.6.28 G
- (1) This provision gives *guidance* on specific aspects of *SYSC 4.6.15R* and *SYSC 4.6.18R*.
  - (2) A firm need only include summary details of the persons in *SYSC 4.6.18R(1)*.
  - (3) A *branch's SMF managers* and members of its *governing body* or

equivalent may overlap with its *senior management* and *senior personnel*. If so, the *firm* does not have to give the same details twice.

- (4) A *firm* should include details of individuals in addition to those in SYSC 4.6.18R(1) if they are needed to make the *management responsibilities map* clear. For example, it may be necessary to include these details if the same individual has responsibilities in a number of different areas of the *branch*.
- (5) A *firm* should only include summary details about *statements of responsibilities* under SYSC 4.6.18R(2). There is no need to duplicate the *statements of responsibilities*.
- (6) If any *designated senior management function* is performed by more than one *person*, a *firm's management responsibilities map* should give details of how the performance or discharge of the responsibilities is to be carried out by those *persons*.
- (7) The *guidance* below applies to *EEA relevant authorised persons* subject to the modifications in (8).
  - (a) SYSC 4.5.15G (Single document);
  - (b) SYSC 4.5.21G to SYSC 4.5.22G (Records).
- (8) Unless the context otherwise requires, any reference in the *guidance* in (7) to:
  - (a) the *firm* should be treated as a reference to the *branch*;
  - (b) the reference to SYSC 4.5.13G in SYSC 4.5.15G(5) should be treated as a reference to SYSC 4.6.29G.

Management responsibilities maps for small branches maintained by non-UK relevant authorised persons

- 4.6.29 G
- (1) The *guidance* in this paragraph applies to *EEA relevant authorised persons* and *third-country relevant authorised persons*.
  - (2) The *FCA* expects that the *management responsibilities map* of a small and non-complex *branch* is likely to be simple and short. It may be no more than a single sheet of paper.
  - (3) A *branch* is likely to be small and non-complex if it:
    - (a) conducts a limited number of simple business lines; and
    - (b) does not rely on group governance arrangements or on governance arrangements for other parts of the *firm*.

Amend the following text as shown.

**4.7 Senior management responsibilities for UK relevant authorised persons: allocation of responsibilities**

Application

4.7.1 R This section applies to UK relevant authorised persons.

...

Insert the following new section after SYSC 4.7.. All the text is new and is not underlined.

**4.8 Senior management responsibilities for third-country relevant authorised persons: allocation of responsibilities**

Application

4.8.1 R This section applies to *third-country relevant authorised persons*.

4.8.2 R This section relates to the activities of a *third-country relevant authorised person* in relation to its *branch* in the *United Kingdom*.

4.8.3 R There is no territorial limitation on the application of SYSC 4.8, save as set out in SYSC 4.8.2R.

4.8.4 R SYSC 4.8 is not limited to *regulated activities* or other specific types of activities.

Purpose

4.8.5 G The purpose of this section is to ensure, together with the equivalent *PRA* requirements, that an *SMF manager* is responsible and accountable for every area of a *branch's* activities.

Allocation of FCA-prescribed senior management responsibilities for third-country relevant authorised persons

- 4.8.6 R (1) A *firm* must allocate each of the *FCA-prescribed senior management responsibilities* in rows (1) to (7) in the table in SYSC 4.8.9R to one or more *SMF managers* of the *branch*.
- (2) If the *FCA-prescribed senior management responsibility* in row (8) of the table in SYSC 4.8.9R (functions in relation to *CASS*) applies to a *firm*, the *firm* must allocate that *FCA-prescribed senior management responsibility* to one or more *SMF managers* of the *branch*.

- (3) A firm may not allocate an *FCA-prescribed senior management responsibility* to an *SMF manager* who is only approved to perform the *other local responsibility function* for that firm, subject to (4).
- (4) A firm may allocate the *FCA-prescribed senior management responsibility* in row (8) of the table in SYSC 4.8.9R (functions in relation to *CASS*) to an *SMF manager* who is only approved to perform the *other local responsibility function*.
- (5) A firm must make the allocations of *FCA-prescribed senior management responsibilities* in this rule in such a way that it is clear who has which of those responsibilities.

- 4.8.7 R The *FCA-prescribed senior management responsibilities* are set out in the table in SYSC 4.8.9R.
- 4.8.8 G The *FCA-prescribed senior management responsibilities* relate to the *third-country relevant authorised person's* activities in relation to its *branch* in the *United Kingdom*.
- 4.8.9 R Table: *FCA-prescribed senior management responsibilities* for third-country relevant authorised persons.

<b>FCA-prescribed senior management responsibility in relation to the branch</b>	<b>Explanation</b>	<b>Equivalent PRA-prescribed UK branch senior management responsibility</b>
(1) Responsibility for the firm's performance of its obligations under the senior management regime	<p>The senior management regime means the requirements of the <i>regulatory system</i> applying to <i>relevant authorised persons</i> insofar as they relate to <i>SMF managers</i> performing <i>designated senior management functions</i>, including SUP 10C (<i>FCA senior management regime</i> for approved persons in relevant authorised persons).</p> <p>This responsibility includes:</p> <p>(1) compliance with conditions and time limits on approval;</p> <p>(2) compliance with the requirements about the <i>statements of responsibilities</i> (but not the allocation of responsibilities recorded in them); and</p>	<i>PRA-prescribed UK branch senior management responsibility</i> 6.2(1)



	(3) compliance by the <i>firm</i> with its obligations under section 60A of the <i>Act</i> (Vetting of candidates by relevant authorised persons).	
(2) Responsibility for the <i>firm's</i> performance of its obligations under the employee certification regime	The employee certification regime means the requirements of sections 63E and 63F of the <i>Act</i> (Certification of employees) and all other requirements of the <i>regulatory system</i> about the matters dealt with in those sections, including SYSC 5.2 (Certification Regime) and the corresponding <i>PRA</i> requirements.	<i>PRA-prescribed UK branch senior management responsibility 6.2(2)</i>
(3) Responsibility for compliance with the requirements of the <i>regulatory system</i> about the <i>management responsibilities map</i>	This responsibility does not include allocating responsibilities recorded in it.	<i>PRA-prescribed UK branch senior management responsibility 6.2(3)</i>
(4) Responsibility for management of the <i>firm's</i> risk management processes in the <i>UK</i>		<i>PRA-prescribed UK branch senior management responsibility 6.2(4)</i>
(5) Responsibility for the <i>firm's</i> compliance with the <i>UK regulatory regime</i> applicable to the <i>firm</i>		<i>PRA-prescribed UK branch senior management responsibility 6.2(5)</i>
(6) Responsibility for the escalation of correspondence from the <i>PRA, FCA</i> and other <i>regulators</i> in respect of the <i>firm</i> to the <i>governing body</i> and/or the <i>management body</i> of the <i>firm</i> or, where appropriate, of the <i>parent undertaking</i> or <i>holding company</i> of the <i>firm's group</i>	This includes taking steps to ensure that the <i>senior management</i> of the <i>firm</i> and, where applicable, the <i>group</i> , are made aware of any views expressed by the <i>regulatory bodies</i> and any steps taken by them in relation to the <i>branch, firm</i> or <i>group</i> .	<i>PRA-prescribed UK branch senior management responsibility 6.2(6)</i>
(7) Local responsibility for the <i>firm's</i> policies and procedures for countering the risk that the <i>firm</i> might	(A) This includes the function in SYSC 6.3.8R ( <i>firm</i> must allocate overall responsibility to a <i>director</i> or <i>senior manager</i> within the <i>firm</i>	None

<p>be used to further <i>financial crime</i></p>	<p>for the establishment and maintenance of effective anti-<i>money laundering</i> systems and controls), if that <i>rule</i> applies to the <i>firm</i>.</p> <p>(B) The <i>firm</i> may allocate this <i>FCA-prescribed senior management responsibility</i> to the <i>MLRO</i> but does not have to.</p> <p>(C) If the <i>firm</i> does not allocate this <i>FCA-prescribed senior management responsibility</i> to the <i>MLRO</i>, this <i>FCA-prescribed senior management responsibility</i> includes responsibility for supervision of the <i>MLRO</i>.</p> <p>(D) Local responsibility is defined in SYSC 4.8.10R (Local responsibility for a <i>branch's</i> activities, business areas and management functions).</p>	
<p>(8) Local responsibility for the <i>firm's</i> compliance with CASS</p>	<p>(A) This responsibility only applies to a <i>firm</i> to which CASS applies.</p> <p>(B) A <i>firm</i> may include in this <i>FCA-prescribed senior management responsibility</i> whichever of the following functions apply to the <i>firm</i>:</p> <p>(a) CASS 1A.3.1R (certain CASS compliance functions for a <i>CASS small firm</i>);</p> <p>(b) CASS 1A.3.1AR (certain CASS compliance functions for a <i>CASS medium firm</i> or a <i>CASS large firm</i>);</p> <p>(c) CASS 11.3.1R (certain CASS compliance functions for certain <i>CASS small debt management firms</i>); or</p> <p>(d) CASS 11.3.4R (certain CASS compliance functions for a <i>CASS large debt management firm</i>);</p>	<p>None</p>

	<p>but it does not have to.</p> <p>(C) If the <i>firm</i> does not include the functions in (B) in this <i>FCA-prescribed senior management responsibility</i>, this <i>FCA-prescribed senior management responsibility</i> includes responsibility for supervision of the person performing the functions in (B) that apply to the <i>firm</i>.</p> <p>(D) Local responsibility is defined in SYSC 4.8.10R (Local responsibility for a <i>branch's</i> activities, business areas and management functions).</p>	
--	---	--

Local responsibility for a branch's activities, business areas and management functions

- 4.8.10 R (1) A *firm* must ensure that, at all times, one or more of its *SMF managers* has overall responsibility (subject to the *branch's governing body* ) for each of the activities, business areas and management functions of the *branch* that are under the management of the *branch's governing body*.
- (2) A *firm* must ensure that, at all times, one or more of its *SMF managers* has responsibility for each of the activities, business areas and management functions of the *branch* not covered by (1).
- (3) An *SMF manager* in (2) must be directly involved in the management of the activity, business area or management function for which they have responsibility under (2).
- (4) An *SMF manager* who has responsibility for an activity, business area or management function under (1) or (2) has “local responsibility” for that activity, business area or management function.
- (5) This *rule* does not require a *firm* to ensure that *SMF managers* have local responsibility for any activity, business area or management function that is:
- (a) included in an *FCA-prescribed senior management responsibility*;
  - (b) included in an *PRA-prescribed UK branch senior management responsibility*; or
  - (c) managed (as part of the *PRA-designated senior management*

*function* concerned) by any of the *firm's SMF managers* approved to perform any of the following *PRA-designated senior management functions* for the *firm*:

- (i) the Chief Finance function;
  - (ii) the Chief Risk function;
  - (iii) the Head of Internal Audit function; or
  - (iv) the Group Entity Senior Manager function.
- (6) This *rule* does not require a *firm* to allocate local responsibility for the running of the *branch's governing body*.
- (7) A *firm* must make the allocations of responsibilities in this *rule* in such a way that it is clear who has which of those responsibilities.
- 4.8.11 G (1) The purpose of SYSC 4.8.10R is to avoid gaps. It is to ensure that an *SMF manager* has responsibility for every part of a *branch's* activities, business areas and management functions not otherwise covered by other parts of this section or by the equivalent *PRA* requirements.
- (2) The *FCA* recognises that for some *branches*, some activities, business areas and functions of the *branches* may not be under the management of the *branch's governing body*. This may be the case where the *branch* does not have its own *governing body* or where it is organised in such a way that certain functions are under the management of a *person* or body outside the *branch's* management structure. In those circumstances, it would not be appropriate to require the *firm* to allocate overall responsibility for that matter to a *person* who is part of the management structure of the *branch*.
- (3) The requirements to allocate responsibility for activities, business areas and functions of a *branch* under SYSC 4.8.10R(1) and (2) respectively are intended to allow for the difference described in (2). In particular:
- (a) SYSC 4.8.10R(1) is intended to cater for the situation where a particular activity, business area or function of the *branch* is under the management of the *branch's governing body*. In that situation, the *firm* should allocate overall responsibility for that matter under SYSC 4.8.10R(1).
  - (b) SYSC 4.8.10R(2) is intended to cater for the situation where a particular activity, business area or function of the *branch* is not under the management of *branch's governing body*. In that situation, the *firm* should allocate responsibility for that matter under SYSC 4.8.10R(2).
- (4) A person who is allocated responsibility for a matter under SYSC 4.8.10R(1) or (2) will have local responsibility for that matter and will be performing the *other local responsibility function* unless that person

has been approved to perform another *designated senior management function* (see SYSC 4.8.10(4) and SYSC 4.8.33G for more information on this).

- (5) The provisions listed below provide further *guidance* and explanations about local responsibility:
  - (a) SYSC 4.8.12G to SYSC 4.8.14G provides *guidance* on the meaning of local responsibility in general;
  - (b) SYSC 4.8.15G to SYSC 4.8.19G provide *guidance* on the meaning of overall responsibility under SYSC 4.8.10R(1);
  - (c) SYSC 4.8.20G provides further *guidance* about local responsibility under SYSC 4.8.10R(2).
- (6) As explained in SYSC 4.8.14G, SYSC 4.8.10R does not apply to non-executive functions.

Meaning of local responsibility: general

- 4.8.12 G Having local responsibility for a matter does not mean:
- (1) having ultimate authority over it; or
  - (2) having day-to-day management control of that function.
- 4.8.13 G (1) SYSC 4.8.10R does not mean that the *firm* has to allocate local responsibility for the running of the *branch's governing body* or equivalent itself.
- (2) This means that a *person* does not have local responsibility for a function under SYSC 4.8.10R just by being a member of a *branch's governing body* or equivalent.
- 4.8.14 G (1) A *person* who just provides oversight of a function does not have local responsibility for that function under SYSC 4.8.10R.
- (2) Paragraph (1) and SYSC 4.8.13G mean that a *non-executive director* acting as such does not have local responsibility for a function under SYSC 4.8.10R or perform the *other local responsibility function*.
- (3) Paragraph (1) and SYSC 4.8.13G mean that a *non-executive director*:
- (a) providing oversight of a function; or
  - (b) being responsible for the independence of a function;
- does not have local responsibility for that function under SYSC 4.8.10R and does not perform the *other local responsibility function*.

Meaning of local responsibility in SYSC 4.8.10R(1): overall responsibility

- 4.8.15 G (1) SYSC 4.8.10R(1) relates to the allocation of responsibility for activities, business areas or functions of the *branch* which are under the management of the *branch's governing body*.
- (2) SYSC 4.8.10R(1) refers to overall responsibility.
- (3) As is explained in SYSC 4.8.10R(4), a person who has overall responsibility for a function under SYSC 4.8.10R(1) will have local responsibility for that function.
- (4) Overall responsibility means the same as it does in SYSC 4.7.8R (Allocation of overall responsibility for a *UK firm's* activities, business areas and management functions) except that:
- (a) it applies to the *branch* rather than the *firm* as a whole; and
- (b) it refers to responsibility to the *governing body* of the *branch* rather than of the *firm* as a whole.
- 4.8.16 G In accordance with SYSC 4.8.15(4), when SYSC 4.8.10R(1) refers to a *person* having overall responsibility for a function, it means a *person* who has:
- (1) ultimate responsibility (under the *governing body* of the *branch*) for managing or supervising that function; and
- (2) primary and direct responsibility for:
- (a) briefing and reporting about that function to the *branch's governing body* or equivalent; and
- (b) putting matters for decision about that function to the *branch's governing body* or equivalent.
- 4.8.17 G In general, the FCA expects that a *person* to whom overall responsibility for a function is allocated under SYSC 4.8.10R(1) will be the most senior employee or officer responsible for managing or supervising that function under the management of the *branch's governing body*.
- 4.8.18 G A *person* may have overall responsibility for a function under SYSC 4.8.10R(1) even though that *person* also reports to a *person* outside the *branch*.
- 4.8.19 G SYSC 4.7.13G and SYSC 4.7.14G (meaning of overall responsibility for *UK relevant authorised persons*) apply to the meaning of overall responsibility in this section but as if:
- (1) references to the *firm* were to the *branch*; and
- (2) references to the chief executive were to the *branch manager* or the *person* performing the *PRA's* Head of Overseas Branch *designated senior management function*.

Meaning of local responsibility in SYSC 4.8.10R(2)

- 4.8.20 G (1) SYSC 4.8.10R(2) relates to the allocation of local responsibility for any activities, business areas and functions of the *branch* which are not under the management of the *branch's governing body*.
- (2) SYSC 4.8.10R(3) states that a *person* who has local responsibility under SYSC 4.8.10R(2) must be directly involved in the management of the activity, business area or management function for which they have responsibility under (2).
- (3) A *person* having local responsibility for a function under SYSC 4.8.10R(2) does not need to be part of the management structure of the *branch* in order to have local responsibility for the function.
- (4) SYSC 4.8.25G and SYSC 4.8.27G provide further guidance on the allocation of local responsibility under SYSC 4.8.10R(2).

Who functions should be allocated to

- 4.8.21 G The *FCA* expects a *firm* to allocate all the functions in SYSC 4.8.6R (*FCA-prescribed senior management responsibilities*) and SYSC 4.8.10R (Local responsibility for each of the activities, business areas and management functions of the *branch*) to an individual and not to a legal *person*.
- 4.8.22 G (1) The *FCA* would not consider it unusual if a *person* who has local responsibility for a particular function was not a member of the *branch's governing body* or equivalent.
- (2) For example, in some *branches*, the head of compliance may report directly to the *branch's governing body* even though the head of compliance is not a member of the *governing body*.
- 4.8.23 G The *FCA* expects that anyone who has local responsibility for a matter:
- (1) will be sufficiently senior and credible; and
- (2) will have sufficient resources and authority;
- to be able to exercise their management and oversight responsibilities effectively.
- 4.8.24 G SYSC 4.8.23G also applies to someone who has responsibility for an *FCA-prescribed senior management responsibility*.
- 4.8.25 G (1) The *FCA* expects that a *firm* appointing someone to have local responsibility for a function under SYSC 4.8.10R(2) (*branch's activities, business areas and management functions not under the management of a branch's governing body*) will appoint the most senior employee or officer of the *firm* with responsibility for that activity, business area or management function.

- (2) However, as explained in SYSC 4.8.27G (Setting overall strategy for a branch), the *firm* should not appoint someone under SYSC 4.8.10R(2) whose responsibilities are just strategic.
- (3) SYSC 4.8.17G deals with the seniority of someone appointed by the *firm* to have local responsibility for a function under SYSC 4.8.10R(1) (Local responsibility for a *branch's* activities, business areas and management functions under the management of a *branch's governing body*).

- 4.8.26 G (1) In some cases, a *person* who has local responsibility for a particular function may be very senior within the *firm* as a whole.
- (2) For instance, in some *branches*, an individual with local responsibility for a function may also be the Head of the *firm's* Europe and Middle East division for a business line and may be more senior within the *firm* as a whole than the *person* performing the *PRA's* Head of Overseas Branch *designated senior management function*.

#### Setting overall strategy for a branch

- 4.8.27 G (1) Generally, where a *firm* allocates responsibility under SYSC 4.8.10R to one of the *firm's SMF managers* who is not based in the *branch* the *FCA* would expect:
- (a) that the responsibility would not be allocated to a manager whose responsibilities for the *branch* are limited to setting overall strategy for the *branch*; and
  - (b) that, instead, the *firm* would allocate it to a manager who is the most senior person responsible for implementing the strategy for the *branch*.
- (2) See SUP 10C.1.5AG for more about how the difference between strategic and implementing responsibilities affects the *FCA* senior management regime for *approved persons* in *third-country relevant authorised persons*.

#### Not giving too much responsibility to one individual

- 4.8.28 G (1) It will be common for a small non-complex *branch* to divide local responsibility for its activities under the management of the *branch's governing body* between members of the *branch governing body* or equivalent and not to assign responsibility for any activity to someone who is not a member.
- (2) However, when deciding how to divide up responsibility for its activities in relation to a *branch*, a *firm* should avoid assigning such a wide range of responsibilities to a single individual that they are unable to carry out those responsibilities effectively.



- (3) Therefore, in a *branch* of a large or complex *firm*, the *FCA* expects local responsibility for some functions to be assigned to *persons* in the layer of management below the *branch's governing body* or equivalent. Anyone in that layer having local responsibility for an activity will be performing a *designated senior management function*.
- (4) Some of the activities, business areas and management functions of a *branch* may not be under the management of the *branch's governing body*. In that case, a *firm* may allocate responsibility for the function to someone who is not a member of the *branch's governing body* or in the management layer below it.
- (5) Paragraph (2) also applies to allocating responsibility for functions that are not under the management of the *branch's governing body*.

#### Group arrangements and outsourcing

- 4.8.29 G (1) *SYSC 4.8.10R* (Local responsibility for a branch's activities, business areas and management functions) requires local responsibility for various aspects of a *firm's* affairs to be allocated to an *SMF manager*.
- (2) This requirement does not prevent a *firm* from relying on an employee of a company in the same group to perform the function.
  - (3) The group employee will need to be an *SMF manager* of the *firm*.
  - (4) *SUP 10C.3.9G* explains the arrangements that should be put in place before the *firm* can apply for a group employee to be approved as an *SMF manager* for the *firm*.
  - (5) Paragraphs (1) to (4) also apply to a *firm* that:
    - (a) outsources functions to a third party and is relying on an individual from the outsourced services provider; or
    - (b) is relying on an individual working for the wider *firm* from outside the *branch*;
 to carry out the functions in (1).

#### Allocation of responsibility for transactions

- 4.8.30 G (1) It is common for a *branch* to only carry out part of a transaction. For instance, a transaction may be booked in a *branch* but negotiated and arranged elsewhere or vice versa.
- (2) When allocating responsibility to an *SMF manager* for activities in relation to transactions under *SYSC 4.8.10R*, a *firm* should not exclude a transaction which is arranged, booked or negotiated in the *branch* merely because other elements of the transaction occur outside the *United Kingdom*.

Application of SYSC 4.7 to branches maintained by third-country relevant authorised persons

- 4.8.31 R (1) *SYSC 4.7.25G to SYSC 4.7.29G (Dividing and sharing management functions between different people) apply for the purposes of the allocation of responsibilities under this section, subject to the modifications in (2).*
- (2) Unless the context otherwise requires, any reference in the *guidance* above to:
- (a) *SYSC 4.7.5R* is a reference to *SYSC 4.8.6R*;
  - (b) *SYSC 4.7.8R* is a reference to *SYSC 4.8.10R*;
  - (c) *SYSC 4.7.23G* is a reference to *SYSC 4.8.28G*;
  - (d) “overall responsibility” is a reference to “local responsibility”;
  - (e) “the *firm’s governing body*” is a reference to “the *branch’s governing body* or equivalent”.

Link between the senior management regime and this section

- 4.8.32 G (1) *A third-country relevant authorised person should allocate responsibility to its SMF managers for every area of the activities of its branch.*
- (2) This is required by a mixture of:
- (a) *SYSC 4.8.6R (FCA-prescribed senior management responsibilities)*;
  - (b) *SYSC 4.8.10R (Local responsibility for a firm’s activities, business areas and management functions)*;
  - (c) the requirements for *FCA-designated senior management functions*; and
  - (d) the corresponding *PRA* requirements.
- 4.8.33 G (1) Having local responsibility for an activity, business area or management function of the *branch* under *SYSC 4.8.10R* requires approval under section 59 of the *Act* (Approval for particular arrangements) as an *SMF manager*. This is because a *person* who has local responsibility for an activity will be:
- (a) performing the *other local responsibility function*; or
  - (b) approved to perform another *designated senior management function*.

(2) The *other local responsibility function* applies because this is the effect of SUP 10C.8.1R (Definition of the other local responsibility function (SMF22)).

4.8.34 G SUP 10C.8.1R(2) says that the *other local responsibility function* does not apply to a person who is approved to perform another *designated senior management function*.

Link between SYSC 4 Annex 1G and this section

4.8.35 G SYSC 4.7.37G to SYSC 4.7.38G provides *guidance* on the link between SYSC 4 Annex 1G and SYSC 4.7. That guidance is also relevant to this section.

Amend the following text as shown.

#### 4.9 Handover procedures and material

Application

4.9.1 R (1) This section applies to UK relevant authorised persons and to third-country relevant authorised persons.

(2) For third-country relevant authorised persons, references in this section to an SMF manager are references to the SMF manager when acting as an SMF manager for the firm's branch in the United Kingdom.

...

#### 4 Annex 1G The main business activities and functions of a relevant authorised person

Business areas and management functions	Explanation
(1) ...	...
Note (1): The purpose of this annex is explained in SYSC 4.5 (Management responsibilities maps for <u>UK</u> relevant authorised persons) and SYSC 4.7.37G.	

This annex is also referred to in SYSC 4.6 (Management responsibilities maps for non-UK relevant authorised persons) and SYSC 4.8 (Senior management responsibilities for third-country relevant authorised persons: allocation of responsibilities) (see SYSC 4.6.14 and SYSC 4.8.35).

Note (2): ...

## 5.2 Certification regime

...

5.2.19 R A function is an *FCA-specified significant-harm function* for a *firm* only to the extent:

(1) ...

(2) (for UK relevant authorised persons and third-country relevant authorised persons) the *person* performing that function is dealing with a *client* in the *United Kingdom* from an establishment overseas.

5.2.20 G (1) The *FCA* interprets the phrase ‘dealing with’ in SYSC 5.2.19R as including having contact with *clients* and extending beyond ‘dealing’ as used in the phrase ‘dealing in investments’. ‘Dealing in’ is used in Schedule 2 to the *Act* to describe in general terms the *regulated activities* which are specified in Part II of the *Regulated Activities Order*.

(2) The *FCA* interprets the phrase ‘a client in the United Kingdom’ in SYSC 5.2.19R as referring to:

(a) for a *client* which is a body corporate, its office or branch in the United Kingdom;

(b) for a *client* who is an individual, a client who is in the United Kingdom at the time of the dealing.

...

### CASS oversight function

5.2.32A G SYSC 5.2.32(1) only applies to a *firm* to the extent that CASS applies to that *firm*.

...

5.2.35 R (1) The function of acting as a *senior manager*, with significant responsibility for a significant business unit, is an *FCA-specified*

*significant-harm function.*

- (2) For a non-UK relevant authorised person's branch in the United Kingdom, the significant management function is limited to business units of the branch.

...

Functions requiring qualifications

- 5.2.39 R (1) Each function involving an activity for which there is a qualification requirement as specified in *TC App 1.1.1R (Activities and Products/Sectors to which TC applies)* is an *FCA-specified significant-harm function*.

- (2) For a non-UK relevant authorised person, each function involving an activity for which there would have been a qualification requirement, as specified in (1) if the firm had been a UK relevant authorised person, is an FCA-specified significant-harm function.

- 5.2.40 G (1) *SYSC 5.2.39R (Functions requiring qualifications)* does not apply to a ~~firm~~ UK relevant authorised person where *TC* does not apply.

- (2) *SYSC 5.2.39R (Functions requiring qualifications)* applies to a non-UK relevant authorised person irrespective of whether the function in *TC App 1.1.1R (Activities and Products/Sectors to which TC applies)* applies to incoming EEA firms or overseas firms for the purposes of *TC*.

...

**Sch 1 Record keeping requirements**

...

Sch 1.2G

Handbook reference	Subject of record	Contents of record	When record must be made	Retention period
--------------------	-------------------	--------------------	--------------------------	------------------

...				
<u>SYSC 4.5.21G</u>	...			
<u>SYSC 4.6.14G</u> and <u>SYSC 4.6.28G</u>	<u>Applies SYSC 4.5.21G to non-UK relevant authorised persons</u>	<u>See entry for SYSC 4.5.21G</u>	<u>See entry for SYSC 4.5.21G</u>	<u>See entry for SYSC 4.5.21G</u>
...				

...

## Annex C

### Amendments to the Fit and Proper Test for Approved Persons (FIT)

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

#### 1.2 Introduction

...

1.2.4A G Under Article 5(1)(d) of the *MiFID Implementing Directive* and Article 31 and 32 of *MiFID*, the requirement to employ personnel with the knowledge, skills and expertise necessary for the discharge of the responsibilities allocated to them is reserved to the *firm's Home State*. Therefore, in assessing the fitness and propriety of:

(1) a person to perform a controlled function; or

(2) a certification employee

solely in relation to the *MiFID business* of an *incoming EEA firm*, the *appropriate regulator* will not have regard to that *person's* competence and capability. Where the *controlled function* relates to matters outside the scope of *MiFID*, for example *money laundering* responsibilities (see CF11) or activities related to a *specified benchmark* (see CF 40 and CF 50), or to business outside the scope of the *MiFID business* of an *incoming EEA firm*, for example *insurance mediation activities* in relation to *life policies*, the *FCA* will have regard to a *candidate's* competence and capability as well as his honesty, integrity, reputation and financial soundness.

...

## Annex D

### Amendments to the Code of Conduct sourcebook (COCON)

[*Editor's note:* the base text throughout is the current Handbook text including the amendments made by the Individual Accountability Instrument 2015 (FCA 2015/31) and the Individual Accountability (Solvency II and Consequential) Instrument 2015 (FCA 2015/43).]

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

## 1 Application and purpose

### 1.1 Application

...

Where does it apply?

...

- 1.1.10 R *COCON* only applies to the conduct of *persons* other than *senior conduct rules staff members* if that conduct:
- (1) ...
  - (2) (for UK relevant authorised persons and third-country relevant authorised persons) involves dealing with a *client* in the *United Kingdom* from an establishment overseas.
- 1.1.11 G (1) The *FCA* interprets the phrase 'dealing with' in *COCON* 1.1.10R(2) as including having contact with *customers* and extending beyond 'dealing' as used in the phrase 'dealing in investments'. 'Dealing in' is used in Schedule 2 to the *Act* to describe, in general terms, the *regulated activities* which are specified in Part II of the *Regulated Activities Order*.
- (2) The *FCA* interprets the phrase 'a client in the United Kingdom' in *COCON* 1.1.10R(2) as referring to:
- (a) for a client which is a body corporate, its office or branch in the United Kingdom;
  - (b) for a client who is an individual, a client who is in the United Kingdom at the time of the dealing.
- 1.1.12 G R A *person* will not be subject to *COCON* to the extent that it would be contrary to the *United Kingdom's* obligations under a *Single Market Directive* or the *auction regulation*.



...

## 4.2 Specific guidance regarding senior manager conduct rules

...

...

- 4.2.2 G (1) Strategy and plans will often dictate the risk which the business is prepared to take on and high-level controls will dictate how the business is to be run. If the strategy of the business is to enter high-risk areas, then the degree of control and strength of monitoring reasonably required within the business will be high. In organising the business for which they are responsible, *senior conduct rules staff members* should bear this in mind.
- (2) (a) Strategy and plans for the branch in the United Kingdom of an overseas firm will often be set by those parts of the firm which are based outside the United Kingdom.
- (b) If an overseas firm proposes a significant strategy or change in strategy ('the proposal') for its branch in the United Kingdom, particularly to enter higher risk areas, the senior conduct rules staff member responsible for the matters likely to be affected by the strategy should assess its impact on the branch in the United Kingdom.
- (c) The senior conduct rules staff member should ensure that they take reasonable steps to implement the proposal in a way that complies with the regulatory system.
- (d) If the firm proposes to implement the proposal and the senior conduct rules staff member considers that it is likely to be to be non-compliant with the regulatory system, the senior conduct rules staff member should promptly inform the appropriate regulator.

...

## Annex E

### Amendments to the Client Assets sourcebook (CASS)

[*Editor's note:* the base text throughout is the current Handbook text including the amendments made by the Individual Accountability Instrument 2015 (FCA 2015/31) and the Solvency II Directive (Firm Accountability) Instrument 2015.]

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

#### 1A.3 Responsibility for CASS operational oversight

...

- 1A.3.1B G (1) ...
- (2) (a) For a *firm* that is a UK relevant authorised person, ...
- (b) A UK relevant authorised person must ...
- (c) A UK relevant authorised person may ...
- (d) A UK relevant authorised person may ...
- (e) A UK relevant authorised person may ...
- (3) Broadly speaking, paragraph (2) applies to a *third-country relevant authorised person*, with certain differences.
- (a) SYSC 4.8.6R and SYSC 4.8.10R apply instead of SYSC 4.7.5R and SYSC 4.7.7R.
- (b) SUP 10C.8 applies instead of SUP 10C.7.
- (c) The *other local responsibility function* (SMF22) applies in place of the *other overall responsibility function* (SMF18).
- (4) (a) The position of an *incoming EEA firm* that has a *top-up permission* is slightly different.
- (b) The *firm* may choose to allocate the function in CASS 1A.3.1AR to an *SMF manager*.
- (c) The *firm* may instead choose to allocate the function in CASS 1A.3.1AR to someone who is not an *SMF manager*.
- (d) Where (c) applies, the *person* performing the function in CASS 1A.3.1AR will fall into the certification regime.
- (e) FCA-prescribed senior management responsibilities do not

apply to an incoming EEA firm that has a top-up permission. There is no requirement in SYSC 4.7 or SYSC 4.8 that an SMF manager in an incoming EEA firm should have overall responsibility for CASS.

(f) Having responsibility for CASS may fall within the scope of the EEA branch senior manager function (SMF 21).

(g) However, having responsibility for CASS may not fall into any controlled function.

...

### 11.3 Responsibility for CASS operational oversight

...

11.3.1A G CASS 11.3.3G(5) to ~~(9)~~ (11) also apply to a CASS small debt management firm and the function in CASS 11.3.1R. However:

...

...

11.3.3 G ...

(9) ...

(10) Broadly speaking, paragraphs (1) to (9) apply to a third-country relevant authorised person, with certain differences.

(a) SYSC 4.8.6R and SYSC 4.8.10R apply instead of SYSC 4.7.5R and SYSC 4.7.7R.

(b) SUP 10C.8 applies instead of SUP 10C.7.

(c) The other local responsibility function (SMF22) applies in place of the other overall responsibility function (SMF18).

(11) (a) The position of an incoming EEA firm that has a top-up permission is slightly different.

(b) The firm may choose to allocate the function in CASS 11.3.4R to an SMF manager.

(c) The firm may instead choose to allocate the CASS function to someone who is not an SMF manager.

(d) Where (c) applies, the person performing the function in CASS 11.3.4R will fall into the certification regime.

- (e) FCA-prescribed senior management responsibilities do not apply to an incoming EEA firm that has a top-up permission. There is no requirement in SYSC 4.7 or SYSC 4.8 that an SMF manager in an incoming EEA firm should have overall responsibility for CASS .
- (f) Having responsibility for CASS may fall within the scope of the EEA branch senior manager function (SMF 21).
- (e) However, having responsibility for CASS may not fall into any controlled function.

...

## Annex F

### Amendments to the Supervision manual (SUP)

[*Editor's note:* the base text throughout is the current Handbook text including the amendments made by the Individual Accountability Instrument 2015 (FCA 2015/31) and the Solvency II Directive (Firm Accountability) Instrument 2015.]

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

#### TP 6 Financial Services (Banking Reform) Act 2013: Approved persons

...			
		Grandfathering of approved persons: mapping of old functions onto new	
...			
6.2.4	R	If:	
		(1)	the result of <i>SUP</i> TP 6.2.3R (together with the PRA Transitionals Rules and the Transitionals and Grandfathering Order) would be that an <i>approved person</i> is deemed to be approved to perform:
			(a) the other overall responsibility function (SMF18) for a <u>UK relevant authorised person</u> ; <u>or</u>
			(b) <u>the other local responsibility function (SMF22) for a third-country relevant authorised person</u> ; <u>and</u>
		(2)	...
		then, for that <i>approved person</i> and that <i>firm</i> , the other overall responsibility function <u>or the other local responsibility function (whichever is applicable)</u> is not treated as equivalent to the pre-commencement controlled function to which it would otherwise have been equivalent under <i>SUP</i> TP 6.2.3R.	
		...	
6.2.5	G	The effect of <i>SUP</i> TP 6.2.4R is that a <i>person</i> will not be grandfathered with the new <i>FCA</i> 'other overall responsibility function' (SMF18) <u>or the new <i>FCA</i> 'other local responsibility function' (SMF22)</u> if they have any other grandfathered approval for the same <i>firm</i> .	

...

6.2.7	R	Table of functions for grandfathering
-------	---	---------------------------------------

<b>Column 1</b>	<b>Column 2</b>	<b>Column 3</b>
Current controlled function	New PRA-designated senior management function	New FCA-designated senior management function
<i>All firms</i> apart from <i>credit unions</i> and <u>non-UK relevant authorised persons</u>		
...	...	...
<i>All firms</i> to which the function in the first column applies		
...	...	...
<i>CASS operational oversight function (CF 10A)</i>	None	Other overall responsibility function (SMF18)  <u>Other local responsibility function (SMF22)</u>
...		
<i>Credit unions</i>		
...	...	...
<u>EEA relevant authorised persons</u>		
<u>The significant management function (CF29)</u>	<u>None</u>	<u>EEA branch senior manager function (SMF21)</u>
<u>Third-country relevant authorised persons</u>		
<u>The PRA's director function (CF1)</u>	The following PRA-designated senior management functions:  <u>Chief Finance function (SMF2)</u>  <u>Chief Risk function (SMF4)</u>  <u>Head of Internal Audit (SMF5)</u>  <u>Group Entity Senior Manager function (SMF7)</u>  <u>Head of Overseas Branch function (SMF19)</u>	<u>Executive director function (SMF3)</u>

<u>The PRA's systems and controls function (CF28)</u>	<u>The following PRA-designated senior management functions:</u>  <u>Chief Finance function (SMF2)</u>  <u>Chief Risk function (SMF4)</u>  <u>Head of Internal Audit (SMF5)</u>	<u>Other local responsibility function (SMF22)</u>
<u>The significant management function (CF29)</u>	<u>The following PRA-designated senior management functions:</u>  <u>Group Entity Senior Manager function (SMF7)</u>  <u>Head of Overseas Branch function (SMF19)</u>	<u>Other local responsibility function (SMF22)</u>
Note (1): ...		

Insert the following new definitions in the glossary of terms in *SUP* TP 6.10.2R in the appropriate alphabetical position. The text is not underlined.

EEA relevant authorised person	has the meaning in the new <i>Glossary</i>
other local responsibility function	has the meaning in the new <i>Glossary</i>
non-UK relevant authorised person	has the meaning in the new <i>Glossary</i>
third-country relevant authorised person	has the meaning in the new <i>Glossary</i>

UK relevant authorised person	has the meaning in the new <i>Glossary</i>
-------------------------------	--

6.11.1 D Form K: Grandfathering notification

Senior Management Regime: Statement of Responsibilities at grandfathering

...

Senior Management Regime: Statement of Responsibilities at grandfathering  
(EEA Relevant Authorised Persons only)

The following form is new and not underlined.





Application number or IRN  
(for FCA use only)

# Senior Management Regime: Statement of Responsibilities at grandfathering (EEA Relevant Authorised Persons only)

This form applies to EEA relevant authorised persons. It does not apply to UK relevant authorised persons, third country relevant authorised persons, or appointed representatives of any relevant authorised person.

A statement provided under the Financial Services (Banking Reform) Act 2013 (Transitional and Savings Provisions) Order.

This form **must** be submitted as an attachment to a Form K grandfathering notification form.

*FCA Handbook Reference: SUP TP6*  
[Date TBC]

Name of *individual*  
(to be completed by *firm*)

Name of *firm*  
(as entered in 2.01)

Financial Conduct Authority  
25 The North Colonnade  
Canary Wharf  
London E14 5HS  
United Kingdom  
Telephone +44 (0) 300 500 0597  
E-mail [iva@fca.org.uk](mailto:iva@fca.org.uk)  
Website <http://www.fca.org.uk>

**Personal identifications details****Section 1**

1.01 Individual Reference Number (IRN) †

1.02 Title  
(e.g. Mr, Mrs, Ms, etc) †

1.03 Surname †

1.04 ALL forenames †

1.05 Date of birth †

1.06 National Insurance number †

**Firm identification details****Section 2**2.01 Name of *firm*2.02 *Firm* Reference Number (FRN)2.03 a Who should the *FCA* contact at the *firm* in relation  
to this *statement of responsibilities*?

b Position

c Telephone

d Fax

e E-mail

I have supplied further information  
related to this page in Section 4YES  NO

A *statement of responsibilities* should be drafted to clearly show the responsibilities that the *candidate* or senior manager is to perform as part of their *controlled function* and how they fit in with the *firm's* overall governance and management arrangements. A *statement of responsibilities* should also be consistent with the *firm's management responsibilities map*.

A *statement of responsibilities* should be drafted in such a way as to be practical and usable by regulators. The *FCA* consider that this would be achieved by succinct, clear descriptions of each responsibility which avoid unnecessary detail. Firms have the opportunity to provide details of each responsibility allocated to an individual using the free text boxes in this form, however, the *FCA* would not usually expect the description of each responsibility to exceed 300 words.

A *statement of responsibilities* must be a self-contained document. There should be one statement per senior manager per firm. Where an individual performs a senior management function on behalf of more than one firm within a group, one *statement of responsibilities* is required for each firm. Any supplementary information may be provided in section 4 (or if submitting electronically, in a **single** attachment). A statement of responsibilities must not cross refer to or include other documents, attachments or links.

(SUP 10C.11)

If the appropriate regulator considers that the *statement of responsibilities* is not sufficiently clear to be practical and usable, it could be challenged as part of a candidate's application for approval, or in ongoing supervision.

Details of the individual's responsibilities should be set out in section 3.2:

- Section 3.2 covers anything for which a candidate or senior manager is to be responsible as part of their *FCA* senior management function(s) role.

### 3.1 Effective date and relevant Senior Management Functions

3.1.1 Please state the effective date of this *statement of responsibilities*:

Please note that where this is a revised *statement of responsibilities*, i.e. since the granting of the application, there has been a significant change in the aspects of the firm's affairs which the individual is responsible for managing in performing the function. For example, a change in allocation of responsibilities within the firm, or if the senior manager is applying for a new or additional senior management function.. In this case, the *statement of responsibilities* supersedes any previous versions.

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.

SMF	Description	Tick SMF applied for or held	Effective Date
SMF17	Money Laundering Reporting		
SMF21	EEA Branch Senior Manager		

This *statement of responsibilities* is considered to automatically include the existing legal and regulatory obligations where they exist for these roles and functions. Such responsibilities do not need to be recorded in this statement, but any additional responsibilities should be recorded in the sections below.

## **3.2 Responsibilities**

- 3.4.1 Please set out below anything for which a candidate or senior manager is to be responsible as part of their *FCA* controlled function(s) role.

Where responsibilities are shared (for example, a responsibility may be shared as part of a job share or where departing and incoming senior managers work together temporarily as part of a handover), please provide details of any sharing arrangements including, if known, the name(s), IRN(s) and/or job title(s) of the individual(s) you are sharing this responsibility with. The responsibility should be recorded in the same way in the statements of responsibilities for each individual.

Please provide a title for this responsibility	Please provide further details of this responsibility	Is this responsibility shared? If 'Yes' please provide, the name(s), IRN(s) and/or job title(s) of the individual(s) you are sharing this responsibility with (where known)
		Yes / No
		Yes / No
		Yes / No



I have supplied further information related to this page in Section 4

YES

NO

4.1 Is there any other information the *individual* or the *firm* considers to be relevant?

YES  NO

If yes, please provide details below or on a separate sheet of paper and clearly identify the section and question to which the additional information relates.

Question	Information

4.2 How many additional sheets are being submitted?

## Declarations and signatures

### Declaration of candidate/ approved person

The candidate/approved person confirms that this Statement of Responsibilities accurately reflects the aspects of the affairs of the firm which it is intended that the candidate/ approved person will be responsible for managing. The candidate/ approved person confirms that they have accepted all the responsibilities set out in this Statement of Responsibilities.

This is given as at the commencement date or, for candidates, the date of approval if later.

Name of candidate/approved person

Signature

Date

Senior Management Regime: Statement of Responsibilities at grandfathering  
(Third Country Relevant Authorised Persons only)

The following form is new and not underlined.

Application number or IRN  
(for FCA/PRA use only)

# Senior Management Regime: Statement of Responsibilities at grandfathering (Third Country Relevant Authorised Persons only)

This form applies to third country relevant authorised persons. It does not apply to UK relevant authorised persons, EEA relevant authorised persons, or appointed representatives of any relevant authorised person.

A statement provided under the Financial Services (Banking Reform) Act 2013 (Transitional and Savings Provisions) Order.

This form **must** be submitted as an attachment to a Form K grandfathering notification form.

*FCA Handbook Reference: SUP TP6*

*PRA Rulebook Reference: Senior Managers Regime - Transitional Provisions*

[Date TBC]

Name of *individual*  
(to be completed by *firm*)

Name of *firm*  
(as entered in 2.01)

Financial Conduct Authority  
25 The North Colonnade  
Canary Wharf  
London E14 5HS  
United Kingdom  
Telephone +44 (0) 300 500 0597  
E-mail [iva@fca.org.uk](mailto:iva@fca.org.uk)  
Website <http://www.fca.org.uk>

Prudential Regulation Authority  
20 Moorgate  
London  
EC2R 6DA  
United Kingdom  
Telephone +44 (0) 203 461 7000  
Email [PRA-ApprovedPersons@bankofengland.co.uk](mailto:PRA-ApprovedPersons@bankofengland.co.uk)  
Website [www.bankofengland.co.uk/PRA](http://www.bankofengland.co.uk/PRA)



**Personal identifications details****Section 1**

1.01 Individual Reference Number (IRN) †

1.02 Title  
(e.g. Mr, Mrs, Ms, etc) †

1.03 Surname †

1.04 ALL forenames †

1.05 Date of birth †

1.06 National Insurance number †

**Firm identification details****Section 2**2.01 Name of *firm*2.02 *Firm* Reference Number (FRN)2.03 a Who should the *FCA/PRA* contact at the *firm* in relation to this *statement of responsibilities*?

b Position

c Telephone

d Fax

e E-mail



I have supplied further information related to this page in Section 4

YES  NO

A *statement of responsibilities* should be drafted to clearly show the responsibilities that the *candidate* or senior manager is to perform as part of their *controlled function* and how they fit in with the *firm's* overall governance and management arrangements. A *statement of responsibilities* should also be consistent with the *firm's management responsibilities map*.

A *statement of responsibilities* should be drafted in such a way as to be practical and useable by regulators. The *FCA* and the *PRA* consider that this would be achieved by succinct, clear descriptions of each responsibility which avoid unnecessary detail. Firms have the opportunity to provide details of each responsibility allocated to an individual using the free text boxes in this form, however, the *PRA* and *FCA* would not usually expect the description of each responsibility to exceed 300 words.

A *statement of responsibilities* must be a self-contained document. There should be one statement per senior manager per firm. Where an individual performs a senior management function on behalf of more than one firm within a group, one *statement of responsibilities* is required for each firm. Any supplementary information may be provided in section 4 (or if submitting electronically, in a **single** attachment). A statement of responsibilities must not cross refer to or include other documents, attachments or links.

(SUP 10C.11)

If the appropriate regulator considers that the *statement of responsibilities* is not sufficiently clear to be practical and usable, it could be challenged as part of a candidate's application for approval, or in ongoing supervision.

Details of the individual's responsibilities should be set out in sections 3.2 to 3.4, as appropriate:

- Section 3.2 covers those responsibilities required by regulators to be allocated to one or more senior managers.
- Section 3.3 covers having local responsibility for each of the business areas, activities, management functions and risks of the firm.
- Section 3.4 covers anything else, not otherwise included, for which a candidate or senior manager is to be responsible as part of their *FCA* and/or *PRA* senior management function(s) role.

### 3.1 Effective date and relevant Senior Management Functions

3.1.1 Please state the effective date of this *statement of responsibilities*:

Please note that where this is a revised *statement of responsibilities*, i.e. since the granting of the application, there has been a significant change in the aspects of the firm's affairs which the individual is responsible for managing in performing the function (for example, a change in allocation of responsibilities within the firm, or the senior manager is applying for a new or additional senior management function), then this *statement of responsibilities* supersedes any previous versions.

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.

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		

This *statement of responsibilities* is considered to automatically include the existing legal and regulatory obligations where they exist for these roles and functions (for example, the Money Laundering Reporting function). Such responsibilities do not need to be recorded in this statement, but any additional responsibilities should be recorded in the sections below.

### 3.2 Prescribed Responsibilities

This section deals with those responsibilities to be allocated to one or more senior managers. The allocation of responsibilities under a statement of responsibilities should not reduce or alter the scope of any applicable prescribed responsibilities.

If the responsibilities that the candidate or senior manager is to carry out as described in the statement of responsibilities go beyond those set out in this section, those additional responsibilities should not reduce or alter the scope of the prescribed requirements set out in this section.

(FCA SUP 10C.11/PRA: Allocation of Responsibilities)

3.2.1 Please indicate below which of the responsibilities listed are/will be allocated to this individual, if any.

If the individual has not been allocated a prescribed responsibility, please go to section 3.3.

<b>Ref</b>	<b>Prescribed Responsibility (Applicable to all firms)</b>	<b>Does this prescribed responsibility apply?</b>	<b>Is this prescribed responsibility shared?</b>
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 obligations of the regulatory system about the management responsibilities map	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 regime 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 body of the firm or, where appropriate, of the parent undertaking or holding company of the firm's group	Yes / No	Yes / No
zg	Local responsibility for the branch's policies and procedures for countering the risk that the branch might be used to further financial crime	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 submission of information to the PRA on the firm's liquidity position.	Yes / No	Yes / No
zl	Responsibility for the production and integrity of the branch's financial information and its regulatory reporting in respect of its regulated activities	Yes / No	Yes / No

3.2.2 If necessary, please provide additional information about each prescribed responsibility, including:

- A breakdown of the different components and tasks which the responsibility encompasses; and
- If applicable, details of any sharing arrangements including, if known, the name(s), IRN(s) and/or job title(s) of the individual(s) you are sharing this prescribed responsibility with. The responsibility should be recorded in the same way in the statements of responsibilities for each individual.

Additional information must be relevant, succinct and not dilute or undermine the prescribed responsibility.

Ref	Prescribed Responsibility	Further Relevant Details



I have supplied further information related to this page in Section 4

YES

NO

### 3.3 Local Responsibility

This section deals with having local responsibility for each of the business areas, activities and management functions of the firm.

Local responsibility is explained in SYSC 4.8. In summary, by local responsibility we mean:

- a) for a person who is allocated local responsibility under SYSC 4.8.10R(1), ultimate responsibility (under the *governing body* of the *branch*) for managing or supervising that function and primary and direct responsibility for briefing and reporting about that function to the branch's governing body or equivalent and for putting matters for decision about that function to the branch's governing body or equivalent. SYSC 4.8 states that, in general, the FCA expects that a *person* to whom overall responsibility for a function is allocated under SYSC 4.8.10R(1), will be the most senior employee or officer responsible for managing or supervising that function under the management of the *branch's governing body*.
- b) for a person who is allocated local responsibility under SYSC 4.8.10R(2), a person who is directly involved in the management of the relevant activity, business area or management function. SYSC 4.8 states that, the FCA expects that a *firm* appointing someone to have local responsibility for a function under SYSC 4.8.10R(2) will appoint the most senior employee or officer of the *firm* with responsibility for that activity, business area or management function.

(SYSC 4.8)

- 3.3.1 If the individual has local responsibility for any or part of the activities, business areas or management functions of a branch, please provide details of each in the table below. Where responsibilities are shared (for example, a responsibility may be shared as part of a job share or where departing and incoming senior managers work together temporarily as part of a handover), please provide details of any sharing arrangements including, if known, the name(s), IRN(s) and/or job title(s) of the individual(s) you are sharing this responsibility with. The responsibility should be recorded in the same way in the statements of responsibilities for each individual.

If the individual does not have local responsibility for an activity, business area or management function of the branch, please skip this section.

A *firm* may wish to refer to SYSC 4 Annex 1G (replicated in Annex A of this form) to help it make sure it has not failed to allocate local responsibility for a particular activity of the firm. Please note that the FCA does not require firms to organise themselves by the functions in SYSC 4 Annex 1G, and that the Annex is not comprehensive. It is important that a firm does not fail to allocate local responsibility for business areas, activities and management functions, in line with SYSC 4.8.10.

Please provide a title for this local responsibility	Please provide further details of this local responsibility	Is this local responsibility shared? If 'Yes' please provide, the name(s), IRN(s) and/or job title(s) of the individual(s) you are sharing this responsibility with (where known)
		Yes / No
		Yes / No
		Yes / No



I have supplied further information related to this page in Section 4

YES

NO

### **3.4 Other Responsibilities**

- 3.4.1 . Please set out below anything else, not otherwise included in this statement, for which a candidate or senior manager is to be responsible as part of their *FCA* and/or *PRA* controlled function(s) role. For example, responsibilities outside the normal course of business such as those linked to high profile projects or initiatives.

Where responsibilities are shared (for example, a responsibility may be shared as part of a job share or where departing and incoming senior managers work together temporarily as part of a handover), please provide details of any sharing arrangements including, if known, the name(s), IRN(s) and/or job title(s) of the individual(s) you are sharing this responsibility with. The responsibility should be recorded in the same way in the statements of responsibilities for each individual.



Please provide a title for this other responsibility	Please provide further details of this other responsibility	Is this other responsibility shared? If 'Yes' please provide, the name(s), IRN(s) and/or job title(s) of the individual(s) you are sharing this responsibility with (where known)
		Yes / No
		Yes / No
		Yes / No



I have supplied further information related to this page in Section 4

YES

NO

## Supplementary Information Section 4

4.1 Is there any other information the *individual* or the *firm* considers to be relevant?

YES

NO

If yes, please provide details below or on a separate sheet of paper and clearly identify the section and question to which the additional information relates.

Question	Information

4.2 How many additional sheets are being submitted?

**SYSC 4      The main business activities and functions of a relevant authorised person**  
**Annex 1G**

Business areas and management functions	Explanation
(1) Payment services	This means: (1) <i>payment services</i> ; (2) issuing and administering other means of payment (for example, cheques and bankers' drafts); (3) issuing <i>electronic money</i> ; and (4) current accounts.
(2) Settlement	This means clearing and settlement of any transactions described in rows (3) and (6) to (9) of this annex in relation to the assets covered by (9). It also includes clearing and settlement of any transactions described in row (10).
(3) Investment management	This has the same meaning as <i>managing investments</i> with the following adjustments: (a) it covers all types of assets; and (b) the exclusions in the <i>Regulated Activities Order</i> do not apply. It also covers fund management.
(4) Financial or investment advice	This includes <i>advising on investments</i> .
(5) Mortgage advice	This has the same meaning as <i>advising on regulated mortgage contracts</i> but is expanded to cover land anywhere in the world and to cover security of any kind over land.
(6) Corporate investments	This means acquiring, holding, managing and disposing a <i>firm's</i> investments made for its own account.
(7) Wholesale sales	This means the <i>selling</i> of any <i>investment</i> to a <i>person</i> other than a <i>retail customer</i> . It does not include the activities in (1).
(8) Retail sales	This means the <i>selling</i> of any <i>investment</i> to a <i>retail customer</i> . It includes savings accounts. It does not include the activities in (1).
(9) Trading for clients	This means <i>dealing in investments as agent and execution of orders on behalf of clients</i> but the list of products includes money market instruments and foreign exchange.
(10) Market making	This has the same meaning as it does in <i>MIFID</i> (see the definition of market maker in article 4.1(8)).
(11) <i>Investment research</i>	
(12) Origination/syndication and underwriting	Origination and syndication include: (1) entering into or acquiring (directly or indirectly) any commitment or <i>investment</i> with a view to transferring some or all of it to others, or with a view to others investing in the same transaction; (2) sub-participation; and (3) any transaction described in the <i>Glossary</i> definition of <i>originator</i> .

Business areas and management functions	Explanation
	Underwriting includes underwriting that is not on a firm commitment basis. A commitment or <i>investment</i> includes an economic interest in some or all of it. This activity also includes the provision of services relating to such transactions.
(13) Retail lending decisions	Deciding whether, and on what terms, to lend to <i>retail customers</i> . Lending includes granting credit, leasing and hire (including finance leasing).
(14) Wholesale lending decisions	Deciding whether, and on what terms, to lend to <i>persons</i> who are not <i>retail customers</i> . Lending includes granting credit, leasing and hire (including finance leasing).
(15) Design and manufacturing of products intended for wholesale customers	Wholesale customers mean <i>persons</i> who are not <i>retail customers</i>
(16) Design and manufacture of products intended for <i>retail customers</i>	
(17) Production and distribution of marketing materials and communications	This includes <i>financial promotions</i>
(18) Customer service	This means dealing with <i>clients</i> after the point of sale, including queries and fulfilment of <i>client requests</i>
(19) Customer complaints handling	This includes the <i>firm's</i> compliance with <i>DISP</i> . It also includes: (1) any similar procedures relating to activities that do not come under the jurisdiction of the <i>Financial Ombudsman Service</i> ; (2) activities that take place outside the <i>UK</i> ; and (3) activities that are not subject to any ombudsman service.
(20) Collection and recovering amounts owed to a <i>firm</i> by its customers Dealing with customers in arrears	"Customer" means any <i>person</i> falling into any of the definitions of <i>client</i> in the <i>Glossary</i> so far as they apply to the <i>FCA's Handbook</i> . The definition is extended to cover all services provided by the <i>firm</i> and not just those that are provided in the course of carrying on a <i>regulated activity</i> or an <i>ancillary service</i> .
(21) Middle office	This means risk management and controls in relation to, and accounting for, transactions in <i>securities</i> or <i>derivatives</i>
(22) The <i>firm's</i> information technology	
(23) Business continuity planning	This means the functions described in SYSC 4.1.6R and SYSC 4.1.7R
(24) Human resources	This includes recruitment, training and competence and performance monitoring
(25) Incentive schemes for the <i>firm's</i> staff	This is not limited to schemes based on sales.
(26) <i>Providing information in relation to a specified</i>	

Business areas and management functions	Explanation
<i>benchmark</i>	
(27) <i>Administering a specified benchmark</i>	
Note (1): The purpose of this annex is explained in SYSC 4.5 (Management responsibilities maps for relevant authorised persons) and SYSC 4.7.37G.	
<p>Note (2): A <i>firm</i> does not have to use the split of activities in this annex for the purposes in Note (1). If a <i>firm</i> does decide to use it, it may adapt it to suit its management arrangements better.</p> <p>For example, a <i>firm</i> may find the split of activities into <i>retail</i> and wholesale activities unsuitable. If so, the <i>firm</i> might:</p> <ul style="list-style-type: none"> <li>(a) treat <i>retail</i> and wholesale activities together; or</li> <li>(b) use its own definition of retail and wholesale activities.</li> </ul>	

## Declarations and signatures

### Declaration of candidate/ approved person

The candidate/approved person confirms that this Statement of Responsibilities accurately reflects the aspects of the affairs of the firm which it is intended that the candidate/ approved person will be responsible for managing. The candidate/ approved person confirms that they have accepted all the responsibilities set out in this Statement of Responsibilities.

This is given as at the commencement date or, for candidates, the date of approval if later.

Name of candidate/approved person	<input type="text"/>
Signature	<input type="text"/>
Date	<input type="text"/>

## 10A FCA Approved Persons

### 10A.1 Application

...

10A.1.11 R Only the following *FCA controlled functions* apply to an *incoming EEA firm* with respect to its *passported activities* carried on from a *branch* in the *United Kingdom*;

...

(2) the *significant management function*, in so far as the function relates to:

...

(b) processing confirmations, payments, settlements, insurance claims, *client money* and similar matters, in so far as this relates to *designated investment business*; ~~or~~ and

~~(c) the activity of accepting deposits from banking customers and activities substantially connected to that activity to the extent that it does not fall within (a) or (b); and~~

...

10A.1.13 R In relation to the activities of a *firm* for which it has a *top-up permission*, only the following *FCA controlled functions* apply:

...

(2) the *significant management function*, to the extent that it relates to:

...

(b) processing confirmations, payments, settlements, insurance claims, *client money* and similar matters, in so far as this relates to *designated investment business*; ~~or~~ and

~~(c) the activity of accepting deposits from banking customers and activities substantially connected to that activity to the extent that it does not fall within (a) or (b); and~~

...

## 10A.9 Significant management functions

...

10A.9.1 R *SUP* 10A.9 applies only to a *firm* which:

...

(2) undertakes *proprietary trading*; ~~or~~

(3) ~~(in the case of an *EEA firm*) undertakes the activity of accepting deposits from banking customers and activities connected with this.~~

...

10A.9.9 R ...

(5) ~~(in the case of an *EEA firm*) undertakes the activity of accepting deposits from banking customers and activities connected with this.~~

...

10.9.12 G A *senior manager* carrying on the *significant management function* under *SUP* 10A.9.9R with significant responsibility for a significant business unit that carries on activities other than *designated investment business* for the purposes of *SUP* 10A.9.9R(1) could, for example, be the head of a unit carrying on the activities of: ~~retail banking~~, personal lending, corporate lending, salvage or loan recovery, *proprietary trading*, or a member of a committee (that is, a *person* who, together with others, has authority to commit the *firm*) making decisions in these functions.

...

## 10C FCA approved *persons* regime for relevant authorised *persons*

### 10C.1 Application

...

~~{Overseas firms}~~ Non-UK relevant authorised persons: UK services

10C.1.3 R ~~{not used}~~ This chapter does not apply to a *non-UK relevant authorised person* in relation to *regulated activities* which are carried on in the *United Kingdom*, other than in relation to an establishment maintained by it or its *appointed representative* in the *United Kingdom*.



EEA relevant authorised persons: general application

- 10C.1.4 R ~~[not used]~~ This chapter does not apply to an *EEA relevant authorised person* if and in so far as the question of whether a *person* is fit and proper to perform a particular function in relation to that *firm* is reserved to an authority in a country or territory outside the *United Kingdom* under:
- (1) the *Single Market Directives*;
  - (2) the *Treaty*;
  - (3) the *auction regulation*.
- 10C.1.5 G (1) ~~[not used]~~ SUP 10C.1.4R reflects the provisions of section 59(8) of the *Act* and, where relevant, the *Treaty*.
- (2) It preserves the principle of *Home State* prudential regulation.
  - (3) For an *EEA relevant authorised person*, the effect is to reserve to the *Home State regulator* the assessment of fitness and propriety of a *person* performing a function in the exercise of an *EEA right*. A *member of the governing body*, or the *notified UK branch manager*, of an *EEA relevant authorised person*, acting in that capacity, will not, therefore, have to be approved by the *FCA* under the *Act*.
  - (4) Aside from (1) to (3) an *EEA relevant authorised person* should have:
    - (a) considered the impact of the *Host State* rules with which it is required to comply when carrying on a *passported activity* or a *Treaty activity* through a *branch* in the *United Kingdom*;
    - (b) been notified of those provisions under Part II of Schedule 3 to the *Act* in the course of satisfying the conditions for *authorisation* in the *United Kingdom*; and
    - (c) considered, for example, the position of a *branch manager* based in the *United Kingdom* who may also be performing a function in relation to the carrying on of a *regulated activity* not covered by the *EEA right* of the *firm*. In so far as the function is within the description of an *FCA controlled function*, the *firm* will need to seek approval for that *person* to perform that *FCA controlled function*.

Overseas firms: general

- 10C.1.5 G (1) Generally, where an overseas manager of a *non-UK relevant authorised person* has responsibilities in relation to its *branch* in the *United Kingdom* that are strategic only, they will not need to be an *FCA-approved SMF manager*.
- A (2) However, where an overseas manager is responsible for implementing that strategy for its *branch* in the *United Kingdom*, and has not delegated that responsibility to an *SMF manager* in the

United Kingdom, they will potentially be performing an FCA controlled function if the detailed conditions in this chapter defining the relevant FCA controlled function are met.

...

## 10C.4 Specification of functions

...

- 10C.4.2 R (1) Part 1 of the table in SUP 10C.4.3R applies to UK relevant authorised persons.
- (2) ~~{to follow}~~ Part 2 of the table in SUP 10C.4.3R applies to EEA relevant authorised persons.
- (3) Part 3 of the table in SUP 10C.4.3R applies to third-country relevant authorised persons.

- 10C.4.3 R Table of FCA controlled functions for relevant authorised persons

<b>Part One: (FCA-designated senior management functions for <u>UK</u> relevant authorised persons)</b>		
...	...	...
<b><u>Part Two: (FCA-designated senior management functions for EEA relevant authorised persons)</u></b>		
<b><u>Type</u></b>	<b><u>SMF</u></b>	<b><u>Description of FCA controlled function</u></b>
<i>FCA required function</i>	<u>SMF17</u>	<i>Money laundering reporting function</i>
	<u>SMF21</u>	<i>EEA branch senior manager function</i>

<b><u>Part 3 Three: (FCA-designated senior management functions for third-country relevant authorised persons)</u></b>		
<b><u>Type</u></b>	<b><u>SMF</u></b>	<b><u>Description of FCA controlled function</u></b>
<i>FCA governing function</i>	<u>SMF 3</u>	<i>Executive director function</i>
<i>FCA required functions</i>	<u>SMF16</u>	<i>Compliance oversight function</i>
	<u>SMF17</u>	<i>Money laundering reporting function</i>
	<u>SMF22</u>	<i>Other local responsibility function</i>

...

## 10C.5 FCA governing functions

Executive director function (SMF3)

- 10C.5.1 R (1) ~~The~~ For a UK relevant authorised person, the executive director function is the function of acting in the capacity of a director (other than a non-executive director) of a the firm.
- (2) For a third-country relevant authorised person, the executive director function is the function of acting in the capacity of a director (other than a non-executive director) of its branch in the United Kingdom where the person performing that function has responsibility for managing one or more aspects of the firm's affairs so far as relating to the activities of the branch.
- (3) Paragraph (2) includes a person who is a member (other than a non-executive member) of the branch's governing body.

Insert the following new section after SUP 10C.7. The text is not underlined.

## 10C.8 The other local responsibility function (SMF22) and EEA branch senior manager functions (SMF21)

Other local responsibility function (SMF22)

- 10C.8.1 R A person performs the *other local responsibility function* in relation to a branch maintained in the *United Kingdom* by a *third-country relevant authorised person* if that person:
- (1) is performing:
- (a) a function allocated to that *person* under SYSC 4.8.10R (Local responsibility for a firm's activities, business areas and management functions) in relation to the *firm*; or
- (b) *FCA-prescribed senior management responsibility* number (8) in the table in SYSC 4.8.9R (functions in relation to CASS) allocated to that *person* under SYSC 4.8.6R (FCA-prescribed senior management responsibilities); and
- (2) does not have an approval to perform any other *designated senior management function* in relation to the *branch*.
- 10C.8.2 G The table in SUP 10C.8.3G gives:
- (1) examples of how SUP 10C.8.1R(2) works; and
- (2) other examples of how the *other local responsibility function* works.

10C.8.3 G Table: Examples of how the other local responsibility function applies

Example	Comments
(1) 'A' is allocated local responsibility for one of a <i>branch's</i> main business lines. A is also appointed to perform a <i>PRA-designated senior management function</i> for the same <i>branch</i> .	A only needs approval to perform the <i>PRA-designated senior management function</i> .
(2) 'A' is outside the <i>branch's</i> management structure and A's responsibilities for the <i>branch</i> are limited to setting overall strategy for the <i>branch</i> . A does not have responsibility for implementing that strategy.	A is not performing the <i>other local responsibility function</i> . The reason for this is explained in <i>SYSC 4.8.27G</i> . <i>SUP 10C.8.1R(2)</i> is irrelevant to this example.
(3) A small branch undertakes two business lines (wholesale lending and corporate investments). 'A' is head of wholesale lending and is also an <i>executive director</i> of the branch. 'B' is head of corporate investments and does not sit on the branch management committee but reports to it on corporate investments. The branch allocates local responsibility for these functions to A and B. Neither A nor B performs any other <i>PRA</i> or <i>FCA-designated senior management functions</i> .	A only needs approval to perform the <i>executive director</i> function. B needs approval to perform the <i>other local responsibility function</i> .
(4) A <i>branch</i> does not have a Head of Internal Audit. 'P' is allocated local responsibility for internal audit in relation to that <i>branch</i> .	P needs approval to perform the <i>other local responsibility function</i> . However, if P has already been approved to perform another <i>PRA</i> or <i>FCA designated senior management function</i> , then P will not be performing the <i>other local responsibility function</i> .
(5) 'A' is appointed to perform the <i>executive director function</i> . The same branch also allocates local responsibility for some branch functions to A.	A only needs approval to perform the <i>executive director function</i> .

<p>(6) 'A' is approved to perform the <i>other local responsibility function</i>. Later, A is appointed to perform the <i>executive director function</i> for the same <i>firm</i>.</p>	<p>A requires approval for the <i>other local responsibility function</i> when A is first appointed. When A is later approved to perform the <i>executive director function</i>, A stops performing the <i>other local responsibility function</i>. The <i>firm</i> should use Form E to apply for approval for A to perform the <i>executive director function</i>.</p>
<p>(7) 'A' is appointed to perform:</p> <p>(a) the <i>compliance oversight function</i> for one <i>firm</i> (Firm X) in a group (which may or may not be a <i>relevant authorised person</i>); and</p> <p>(b) a function coming within the scope of the <i>other local responsibility function</i> for another <i>firm</i> (which is a <i>third-country relevant authorised person</i>) in the same group (Firm Y).</p>	<p>A needs approval to perform the <i>compliance oversight function</i> for Firm X and the <i>other local responsibility function</i> for Firm Y.</p>
<p>(8) 'A' is appointed to take on some functions that come within the <i>other local responsibility function</i>. Later, A is appointed as chief risk officer.</p>	<p>On A's first appointment, A will need to be approved to perform the <i>other local responsibility function</i>.</p> <p>On being approved as chief risk officer, A stops performing the <i>other local responsibility function</i> as being chief risk officer is a <i>PRA designated senior management function</i>.</p>
<p>(9) 'A' is appointed as an executive director. A then resigns and takes up a job with the same <i>firm</i> coming within the <i>other overall responsibility function</i>.</p>	<p>On A's first appointment, A will need to be approved to perform the <i>executive director function</i>. A will need to get approval to perform the <i>other overall responsibility function</i> before A gives up being a director.</p>
<p>Note: Local responsibility is explained in SYSC 4.8.10R (Third-country relevant authorised persons: Allocation of responsibilities)</p>	

EEA branch senior manager function (SMF21):

- 10C.8.4 R (1) *A person performs the EEA branch senior manager function in relation to the branch in the United Kingdom of an EEA relevant*

*authorised person* if that *person* has significant responsibility for one or more significant business units of the *branch* that carry on any of the activities listed in (2).

- (2) The activities listed in this paragraph are:
  - (a) *designated investment business* other than *dealing in investments as principal*, disregarding article 15 of the *Regulated Activities Order*;
  - (b) processing confirmations, payments, settlements, insurance claims, client money and similar matters, in so far as this relates to *designated investment business*;
  - (c) the activity of *accepting deposits* from *banking customers* and activities substantially connected to that activity to the extent that it does not fall within (a) or (b), above; and
  - (d) activities that are subject to *CASS*.
- (3) In considering whether a *person* performs the functions in (2), only activities carried on from the *branch* are relevant.
- (4) Paragraph (2)(d) only applies in relation to the activities of a *firm* for which it has a *top-up permission*.

10C.8.5 G (1) The definition of the *EEA branch senior manager function* (SMF21) is similar to that of the significant management *FCA-specified significant-harm function* under SYSC 5.2.35R. However, only the former is an *FCA-designated senior management function*.

- (2) The main differences are:
  - (a) SUP 10C.8.4R(2)(d) is not included in the significant management *FCA-specified significant-harm function*; and
  - (b) the overriding requirements in SUP 10C.3 (General material about the definition of controlled functions) do not apply to the significant management *FCA-specified significant-harm function*.

10C.8.6 G A *person* performing the *EEA branch senior manager function* could, for example, be:

- (1) the head of a significant business unit carrying on the activities in SUP 10C.8.4R(2); or
- (2) a member of a committee (that is, a *person* who, together with others, has authority to commit the *branch*) making decisions about those activities.

EEA branch senior manager function (SMF21): meaning of significance

10C.8.7 G When considering whether a business unit is significant for the purposes of

SUP 10C.8.4R, the *firm* should take into account all relevant factors in the light of the *firm's* current circumstances and its plans for the future, including:

- (1) the risk profile of that unit;
- (2) its use or commitment of the *firm's* capital;
- (3) its contribution to the profit and loss account;
- (4) the number of *employees* or *approved persons* working in the business unit;
- (5) the number of customers; and
- (6) any other factor which makes the unit significant to the conduct of the *branch's* affairs.

Amend the following text as shown.

**10C.9 Minimising overlap with the PRA approved persons regime**

...

10C.9.9 G Table: Examples of how the need for dual FCA and PRA approval in relation to PRA-authorised persons is reduced

Example	Whether FCA approval required	Whether PRA approval required	Comments
...			
(11) ...			
(12) <u>'A' is to be appointed to perform the Head of Overseas Branch PRA-designated senior management function (SMF 19) for a third-country relevant authorised person. A is also an executive director of that firm's UK branch.</u>	No. A is not treated as performing the <u>executive director function.</u>	Yes	<u>A's functions as a director will be included in the PRA controlled function.</u>

Example	Whether FCA approval required	Whether PRA approval required	Comments
...			

...

## 10C.11 Statements of responsibilities

...

10C.11.6 G ...

(4)

(a) ...

(b) a PRA-prescribed senior management responsibility or a PRA-prescribed UK branch senior management responsibility; or

...

10C.11.19 G Table: examples of how the requirements for submitting statements of responsibilities work

Example	Comments
...	
<p><u>(15) Firm X has a branch in the United Kingdom. Firm Y is a UK authorised subsidiary of firm X.</u></p> <p><u>Firm X is a third- country relevant authorised person and Firm Y is a UK relevant authorised person.</u></p> <p><u>Both firms apply for approval for the same individual (P) to perform the executive director function.</u></p>	<p>There should be separate <u>statement of responsibilities</u> for P for each <u>firm.</u></p>
...	

...

10C.11.23 G A statement of responsibilities should:

(1) ...

(2) ...



(See SYSC 4.5.9G, SYSC 4.6.12G and SYSC 4.6.27G for more about this.)

...

10C.11.26 G ...

(2)

(a) ...

(b) the *FCA-prescribed senior management responsibilities*, ~~and~~ the *PRA-prescribed senior management responsibilities* and the PRA-prescribed UK branch senior management responsibilities; or

...

10C.11.27 G ...

(3) Paragraphs (1) and (2) are not relevant to EEA relevant authorised persons.

10C.11.28 G (1)

A *statement of responsibilities* of an *SMF manager* should include details about any:

(a) *FCA-prescribed senior management responsibilities*, ~~and~~ *PRA-prescribed senior management responsibilities* and PRA-prescribed UK branch senior management responsibilities allocated to the *SMF manager*; or

...

(c) responsibility for a function allocated to the *SMF manager* under SYSC 4.7.8R (Allocation of overall responsibility for a firm's activities, business areas and management functions) or SYSC 4.8.10R (Local responsibility for a branch's activities, business areas and management functions).

(2) Paragraph (1)(c) applies even if the responsibility is excluded from the *other overall responsibility function* under SUP 10C.7.1R(2) (Exclusion for *approved person* with approval to perform other *controlled functions*) or from the other local responsibility function under SUP 10C.8.1R(2) ((Exclusion for *approved person* with approval to perform other *controlled functions*).

...

10C.11.32 G (1) Where

...

(b) any function allocated under SYSC 4.7.8R (Allocation of overall responsibility for a firm's activities, business areas and management functions) or SYSC 4.8.10R (Local

responsibility for a branch’s activities, business areas and management functions);

...

...

**10C.15 Forms and other documents and how to submit them to the FCA**

...

10C.15.3 G Table: FCA approved persons forms and other documents

Form or other document		Purpose	Handbook requirement
...	...	...	...
<i>Statement Relevant statement of responsibilities</i>	SUP 10C Annex 5D		SUP 10C.11
...			

...

10C.15.10 R Table: Method of submission

Form or other document	Firms that are not credit unions	Credit unions
...	...	...
<i>Statement relevant statement of responsibilities</i>	In accordance with the requirements for the form with which it is submitted	In accordance with the requirements for the form with which it is submitted

...

Amend the Forms in this Annex as shown.

**10C Form A: Application to perform senior management functions Annex 2D**

The Long and Short Form As for UK Relevant Authorised Persons are deleted and replaced with the following forms. The forms are new and not underlined.

Short Form A (UK Relevant Authorised Persons and Third Country Relevant Authorised Persons only)



BANK OF ENGLAND  
PRUDENTIAL REGULATION  
AUTHORITY



Application number  
(for FCA/PRA use only)

The FCA and PRA have produced notes which will assist both the applicant and the candidate in answering the questions in this form. Please read these notes, which are available on both FCA and PRA websites at:

<http://fshandbook.info/FS/html/FCA/SUP/10C/Annex2D>

<http://www.bankofengland.co.uk/PRA>

Both the applicant and the candidate will be treated by the FCA and PRA as having taken these notes into consideration when completing this form.

## Short Form A –UK Relevant Authorised Persons and Third Country Relevant Authorised Persons only

### Application to perform senior management functions

FCA Handbook Reference: SUP 10C Annex 2D

PRA Rulebook Reference: Senior Managers Regime - Applications and Notifications

[DATE TBC]

Name of *candidate*  
(to be completed by applicant firm)

Name of *firm*  
(as entered in 2.01)

Firm reference number<sup>†</sup>  
(as entered in 2.02)

Financial Conduct Authority  
25 The North Colonnade  
Canary Wharf  
London E14 5HS  
United Kingdom  
Telephone +44 (0) 300 500 0597  
E-mail [iva@fca.org.uk](mailto:iva@fca.org.uk)  
Website <http://www.fca.org.uk>  
Registered as a Limited Company in England and Wales No 1920623. Registered Office as above

Prudential Regulation Authority  
20 Moorgate  
London  
EC2R 6DA  
United Kingdom  
Telephone +44 (0) 203 461 7000  
E-mail PRA-  
[ApprovedPersons@bankofengland.co.uk](mailto:ApprovedPersons@bankofengland.co.uk)  
Website [www.bankofengland.co.uk/PRA](http://www.bankofengland.co.uk/PRA)  
Registered as a Limited Company in England and Wales No 07854923. Registered Office: 8 Lothbury Road, London, EC2R 7HH

**Personal identification details**  
**Section 1**

<b>1.01 a</b>	<i>Candidate</i> Individual Reference Number (IRN)	
<b>b</b>	OR name of previous regulatory body	
<b>c</b>	AND previous reference number (if applicable)	
<b>1.02</b>	Title (e.g. Mr, Mrs, Ms, etc)	
<b>1.03</b>	Surname	
<b>1.04</b>	ALL forenames	
<b>1.05</b>	Name commonly known by	
<b>1.06</b>	Date of birth (dd/mm/yyyy)	
<b>1.07</b>	National Insurance number	
<b>1.08</b>	Previous name	
<b>1.09</b>	Date of name change	
<b>1.10 a</b>	Nationality	
<b>b</b>	Passport number (if National Insurance number not available)	
<b>1.11</b>	Place of birth	



I have supplied further information related to this page in Section 6

YES

NO

1.12 a Private address

b

c Dates resident at this address (mm/yyyy) From To PRESENT

(If address has changed in the last three years, please provide addresses for the previous three years.)

1.13 a Previous address 1

b

c Dates resident at this address (mm/yyyy) From To

1.14 a Previous address 2

b

c Dates resident at this address (mm/yyyy) From To



I have supplied further information related to this page in Section 6

YES

NO

**Firm  
Section 2**

**identification**

**details**

2.01	Name of <i>firm</i> making the application	
2.02	Firm Reference Number (FRN)	
2.03 a	Who should the <i>FCA/PRA</i> contact at the <i>firm</i> in relation to this application?	
b	Position	
c	Telephone	
d	Fax	
e	E-mail	



I have supplied further information related to this page in Section 6 YES  NO

## Arrangement and Senior Management Functions Section 3

3.01	Nature of the arrangement between the candidate and the applicant.	a	Employee	<input type="checkbox"/>
		b	Group employee	<input type="checkbox"/>
			Name of group	<input type="text"/>
		c	Contract for services	<input type="checkbox"/>
		d	Partner	<input type="checkbox"/>
		e	Other	<input type="checkbox"/>
	Give details	<input type="text"/>		



**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 (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 Nomination Committee		
SMF14	Senior Independent Director		
SMF16	Compliance Oversight		
SMF17	Money Laundering Reporting		
SMF18	Other overall responsibility function		
SMF19	Head of Overseas Branch		
SMF22	Other local responsibility function		

3.03 Job title

**Insurance mediation**

Will the candidate be responsible for Insurance mediation at the firm?

YES

NO

(Note: Yes can only be selected if the individual is applying for a governing function (other than a non-executive director function) (MIPRU 2.2.2))



I have supplied further information related to this page in Section 6

YES

NO

**3.04 Complete this section only if the application is on behalf of more than one firm.**

List all firms within the group (including the firm entered in 2.01) for which the candidate requires approval and the requested senior management function for that firm. †

	<b>Firm Reference Number</b>	<b>Name of firm</b>	<b>Senior Management Function</b>	<b>Job title</b>	<b>Effective date</b>
<b>a</b>					
<b>b</b>					
<b>c</b>					
<b>d</b>					
<b>e</b>					



I have supplied further information related to this page in Section 6

YES

NO

This section has been removed. However if there has been a change to the detail in this section since your last approval, you must submit a Long Form A as opposed to a Short Form A informing the *FCA* and/or *PRA* of the revised detail.

This section has been removed. However if there has been a change to the detail in this section since your last approval, you must submit a Long Form A as opposed to a Short Form A informing the *FCA* and/or *PRA* of the revised detail.

- 6.00
- If there is any other information the *candidate* or the *firm* considers to be relevant to the application, it must be included here.
  - Please provide full details of
    - why the *candidate* is competent and capable to carry out the senior management function(s) applied for.
    - why the appointment complements the firm's business strategy, activity and market in which it operates.
    - how the appointment was agreed including details of any discussions at governing body level (where applicable).
  - Provide a copy of the *candidate's*:
    - *Statement of Responsibilities* with this form
    - Roles description
    - Curriculum vitae (C.V)
    - Organisational chart
  - Provide a copy of the firm's *management responsibilities map* (SYSC 4.5, SYSC 4.6 and SUP 10C.9.10G and Allocation of Responsibilities in the *PRA* Rulebook).
  - A *firm* should include any handover certificate and a reasonable summary of any other handover material (as referred to in SYSC 4.9.4R to SYSC 4.9.8G and SUP 10C.10.13G) and Senior Management Functions Chapter 2 in the *PRA* Rulebook.
- 
- Please also include here any additional information indicated in previous sections of the Form.
  - **Please include a list of all directorships currently or previously held by the *candidate* in the past 10 years (where *director* has the meaning given in the *Glossary*.)**
  - If there is insufficient space, please continue on a separate sheet of paper and clearly identify the section and question to which the additional information relates.
  - **Full details must be provided here if there were any issues that could affect the Fitness and Propriety of the individual that arose when leaving an employer listed in section 4 or if any question has been answered 'yes' in section 5.**

Question	Information

# Declarations and signatures

## Section 7

### Declaration of *Candidate*

It is a criminal offence, knowingly or recklessly, to give the appropriate regulator information that is materially false, misleading or deceptive (see sections 398 and 400 Financial Services and Markets Act 2000). Even if you believe or know that information has been provided to the appropriate regulator before (whether as part of another application or otherwise) or is in the public domain, you must nonetheless disclose it clearly and fully in this form and as part of this application – you should not assume that the appropriate regulator will itself identify such information during the assessment of this application. If there is any doubt about the relevance of information, it should be included.

There will be a delay in processing the application if information is inaccurate or incomplete, and it may call into question the suitability of the applicant and/or lead to the appropriate regulator exercising its powers (including but not limited to taking disciplinary/ Enforcement action). You must notify the appropriate regulator immediately if there is a change to the information in this form and/or if inaccurate information has been provided (insofar as the appropriate regulator is reasonably likely to consider the information material).

The *candidate* confirms that the information provided in this application is accurate and complete to the best of his/her knowledge and that he or she has read the notes to this form. The *candidate* will notify the appropriate regulator immediately if there is a material change to the information provided.

The *candidate* confirms that the attached Statement of Responsibilities accurately reflects the aspects of the affairs of the firm which it is intended that the *candidate* will be responsible for managing. The *candidate* confirms that they have accepted all the responsibilities set out in this Statement of Responsibilities.

The *candidate* authorises the appropriate regulator to make such enquiries and seek such further information as it thinks appropriate to identify and verify information that it considers relevant to the assessment of this application.

The *candidate* acknowledges and agrees that these checks may include credit reference checks or information pertaining to fitness and propriety, and is aware that the results of these enquiries may be disclosed to the employer/Applicant.

The *candidate* agrees that he or she may be required to apply for a search to be made as to whether any criminal records are held in relation to him or her and to obtain a certificate (where such certificate can be obtained) and to disclose the result of that search to the firm submitting this application.

The *candidate* agrees that the *FCA* and/or *PRA* may use the address specified for the *candidate* in this Form as the proper address for service in the United Kingdom as defined in Financial Services and Markets Act 2000 (Service of Notice) Regulations (SI 2001/1420) to serve any notices on that signatory.

For the purposes of complying with the Data Protection Act 1998, the personal information provided in this Form will be used by the *FCA* and *PRA* to discharge their statutory functions under the Financial Services and Markets Act 2000 and other relevant legislation, and will not be disclosed for any other purpose without the permission of the applicant.

The *candidate* confirms that he or she understands the regulatory responsibilities of my proposed role as set out in the rules of conduct in the *FCA*'s COCON and/or *PRA* Conduct Rules (as applicable).

The *candidate* is aware that, while advice may be sought from a third party (e.g. legal advice), responsibility for the accuracy of information, as well as the disclosure of relevant information, on the Form is ultimately the responsibility of those who sign the application.

In addition to other regulatory responsibilities, firms, and approved persons have a responsibility to disclose to the *FCA* and/or *PRA* matters of which it would reasonably expect to be notified. Failure to notify the appropriate regulator of such information may lead to the *FCA* and/or *PRA* taking disciplinary or other action against the firm and/or individuals.

Tick here to confirm you have read and understood this declaration:

**7.01** *Candidate's* full name

**7.02** Signature

Date

## Declaration of *Firm*

It is a criminal offence, knowingly or recklessly, to give the appropriate regulator information that is materially false, misleading or deceptive (see sections 398 and 400 Financial Services and Markets Act 2000). Even if you believe or know that information has been provided to the appropriate regulator before (whether as part of another application or otherwise) or is in the public domain, you must nonetheless disclose it clearly and fully in this form and as part of this application – you should not assume that the appropriate regulator will itself identify such information during the assessment of this application. If there is any doubt about the relevance of information, it should be included.

There will be a delay in processing the application if information is inaccurate or incomplete, and it may call into question the suitability of the applicant and/or lead to the appropriate regulator exercising its powers (including but not limited to taking disciplinary/ Enforcement action). You must notify the appropriate regulator immediately if there is a change to the information in this form and/or if inaccurate information has been provided (insofar as the appropriate regulator is reasonably likely to consider the information material).

In addition to other regulatory responsibilities, firms, and approved persons have a responsibility to disclose to the appropriate regulator, matters of which it would reasonably expect to be notified. Failure to notify the appropriate regulator of such information may lead to the appropriate regulator taking disciplinary or other action against the firm and/or individuals.

The Applicant confirms that the information provided in this application is accurate and complete to the best of its knowledge and that it has read the notes to this form. The Applicant will notify the appropriate regulator immediately if there is a material change to the information provided.

The Applicant authorises the appropriate regulator to make such enquiries and seek such further information as it thinks appropriate to identify and verify information that it considers relevant to the assessment of this application.

The Applicant confirms that it has obtained the fullest information that it is lawfully able to obtain about the Individual under Part V of the Police Act 1997 and any related subordinated legislation of the UK or any part of the UK, and has given due consideration to that information in determining that Individual to be fit and proper.

In making this application the *firm* believes on the basis of due and diligent enquiry and, where applicable, by reference to the criteria in FIT that the candidate is a fit and proper person to perform the controlled function(s) listed in section 3. The firm also believes, on the basis of due and diligent enquiry, that the candidate is competent to fulfil the duties required in the performance of such function(s).

The Applicant confirms that it has complied with its obligations under Equality and Diversity legislation when selecting the Individual to perform the function(s) applied for.

The Applicant confirms that it has made the Individual aware of their regulatory responsibilities as set out in the rules of conduct in the *FCA's COCON* and/or *PRA Conduct Rules* (as applicable).

The Applicant confirms that the Statement of Responsibility submitted with this form accurately reflects the aspects of the affairs of the Firm which it is intended that the Candidate will be responsible for managing.

The Applicant is aware that, while advice may be sought from a third party (e.g. legal advice), responsibility for the accuracy of information, as well as the disclosure of relevant information, on the Form is ultimately the responsibility of those who sign the application.

In signing this form on behalf of the firm: **I confirm that the information in this Form is accurate and complete to the best of my knowledge and belief and that I have read the notes to this Form.**

I confirm that I have authority to make this application and provide the declarations given by the firm, and sign this Form, on behalf of the firm identified in section 2.01 and/or each *firm* identified in section 3.04. I also confirm that a copy of this Form, as submitted to the *FCA* and/or *PRA*, will be sent to each of those *firms* at the same time as submitting the Form to the *FCA* and/or *PRA*.

7.03 Name of the *firm* submitting the application

7.04 Name of *person* signing on behalf of the *firm*

7.05 Job title

7.06 Signature

Date

Long Form A (UK Relevant Authorised Persons and Third Country Relevant Authorised Persons only)

Application number  
(for FCA/PRA use only)

The FCA and PRA have produced notes which will assist both the *applicant* and the *candidate* in answering the questions in this form. Please read these notes, which are available on both FCA and PRA websites at:

<http://fshandbook.info/FS/html/FCA/SUP/10C/Annex2D>

<http://www.bankofengland.co.uk/PRA>

Both the applicant and the *candidate* will be treated by the FCA and PRA as having taken these notes into consideration when completing this form.

## Long Form A – UK Relevant Authorised Persons and Third Country Relevant Authorised Persons only

### Application to perform senior management functions

FCA Handbook Reference: SUP 10C Annex 2D

PRA Rulebook Reference: Senior Managers Regime - Applications and Notifications

[DATE TBC]

Name of *candidate*  
(to be completed by applicant firm)

Name of *firm*  
(as entered in 2.01)

*Firm* reference number  
(as entered in 2.02)

Financial Conduct Authority  
25 The North Colonnade  
Canary Wharf  
London E14 5HS  
United Kingdom  
Telephone +44 (0) 300 500 0597  
E-mail [iva@fca.org.uk](mailto:iva@fca.org.uk)  
Website <http://www.fca.org.uk>  
Registered as a Limited Company in England and Wales  
No 1920623. Registered Office as above

Prudential Regulation Authority  
20 Moorgate  
London  
EC2R 6DA  
United Kingdom  
Telephone +44 (0) 203 461 7000  
E-mail [PRA-ApprovedPersons@bankofengland.co.uk](mailto:PRA-ApprovedPersons@bankofengland.co.uk)  
Website [www.bankofengland.co.uk/PRA](http://www.bankofengland.co.uk/PRA)  
Registered as a Limited Company in England and Wales No  
07854923. Registered Office: 8 Lothbury Road, London, EC2R  
7HH



**Personal identification details**  
**Section 1**

<b>1.01 a</b>	<i>Candidate</i> Individual Reference Number (IRN)	
<b>b</b>	OR name of previous regulatory body	
<b>c</b>	AND previous reference number (if applicable)	
<b>1.02</b>	Title (e.g. Mr, Mrs, Ms, etc)	
<b>1.03</b>	Surname	
<b>1.04</b>	ALL forenames	
<b>1.05</b>	Name commonly known by	
<b>1.06</b>	Date of birth (dd/mm/yyyy)	
<b>1.07</b>	National Insurance number	
<b>1.08</b>	Previous name	
<b>1.09</b>	Date of name change	
<b>1.10 a</b>	Nationality	
<b>b</b>	Passport number (if National Insurance number not available)	
<b>1.11</b>	Place of birth	



I have supplied further information related to this page in Section 6

YES

NO

1.12 a Private address

b

c Dates resident at this address (mm/yyyy) From To PRESENT

(If address has changed in the last three years, please provide addresses for the previous three years.)

1.13 a Previous address 1

b

c Dates resident at this address (mm/yyyy) From To

1.14 a Previous address 2

b

c Dates resident at this address (mm/yyyy) From To



I have supplied further information related to this page in Section 6

YES

NO

**Firm  
Section 2**

**identification**

**details**

<b>2.01</b>	Name of <i>firm</i> making the application	
<b>2.02</b>	Firm Reference Number (FRN)	
<b>2.03 a</b>	Who should the <i>FCA/PRA</i> contact at the <i>firm</i> in relation to this application?	
<b>b</b>	Position	
<b>c</b>	Telephone	
<b>d</b>	Fax	
<b>e</b>	E-mail	



I have supplied further information related to this page in Section 6

YES

NO

## Arrangement and Senior Management Functions Section 3

3.01	Nature of the arrangement between the candidate and the applicant.	a	Employee	<input type="checkbox"/>
		b	Group employee	<input type="checkbox"/>
			Name of group	<input type="text"/>
		c	Contract for services	<input type="checkbox"/>
		d	Partner	<input type="checkbox"/>
		e	Other	<input type="checkbox"/>
		Give details	<input type="text"/>	

**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 (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 Nomination Committee		
SMF14	Senior Independent Director		
SMF16	Compliance Oversight		
SMF17	Money Laundering Reporting		
SMF18	Other overall responsibility function		
SMF19	Head of Overseas Branch		
SMF22	Other local responsibility function		

3.03 Job title

**Insurance mediation**

Will the *candidate* be responsible for insurance mediation at the firm? YES   
 NO

(Note: Yes can only be selected if the individual is applying for a governing function (other than a non-executive director function) (MIPRU 2.2.2))

 I have supplied further information related to this page in Section 6 YES  NO

**3.04 Complete this section only if the application is on behalf of more than one firm.**

List all *firms* within the *group* (including the *firm* entered in 2.01) for which the *candidate* requires approval and the requested *senior management function* for that *firm*.<sup>†</sup>

	<b>Firm Reference Number</b>	<b>Name of firm</b>	<b>Senior Management Function</b>	<b>Job title</b>	<b>Effective date</b>
<b>a</b>					
<b>b</b>					
<b>c</b>					
<b>d</b>					
<b>e</b>					



I have supplied further information related to this page in Section 6

YES

NO

# Employment history in the past 5 years

## Section 4

N.B.: ALL gaps must be accounted for

**4.01 Employment details (1) <sup>†</sup>**

<b>a</b>	Period (mm/yyyy)	From	<input style="width: 90%;" type="text"/>	To	<input style="width: 90%;" type="text"/>																		
<b>b</b>	Nature of employment	<table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 5%;"><b>a</b></td> <td style="width: 85%;">Employed</td> <td style="width: 10%;"><input type="checkbox"/></td> </tr> <tr> <td><b>b</b></td> <td>Self-employed</td> <td><input type="checkbox"/></td> </tr> <tr> <td><b>c</b></td> <td>Not employed</td> <td><input type="checkbox"/></td> </tr> <tr> <td><b>d</b></td> <td>Full-time education</td> <td><input type="checkbox"/></td> </tr> </table>				<b>a</b>	Employed	<input type="checkbox"/>	<b>b</b>	Self-employed	<input type="checkbox"/>	<b>c</b>	Not employed	<input type="checkbox"/>	<b>d</b>	Full-time education	<input type="checkbox"/>						
<b>a</b>	Employed	<input type="checkbox"/>																					
<b>b</b>	Self-employed	<input type="checkbox"/>																					
<b>c</b>	Not employed	<input type="checkbox"/>																					
<b>d</b>	Full-time education	<input type="checkbox"/>																					
	If c or d is ticked, please give details	<input style="width: 100%; height: 20px;" type="text"/>																					
<b>c</b>	Name of employer	<input style="width: 100%; height: 20px;" type="text"/>																					
<b>d</b>	Nature of business	<input style="width: 100%; height: 20px;" type="text"/>																					
<b>e</b>	Previous / other names of employer	<input style="width: 100%; height: 20px;" type="text"/>																					
<b>f</b>	Last known address of employer	<input style="width: 100%; height: 20px;" type="text"/>																					
<b>g</b>	Is/was employer regulated by a regulatory body?	YES <input type="checkbox"/>	NO <input type="checkbox"/>	Name of regulatory body																			
				<input style="width: 100%; height: 20px;" type="text"/>																			
<b>h</b>	Is/was employer an <i>appointed representative/tied agent</i> ?	YES <input type="checkbox"/>	NO <input type="checkbox"/>	If yes, of which <i>firm</i> ?																			
				<input style="width: 100%; height: 20px;" type="text"/>																			
<b>i</b>	Position held	<input style="width: 100%; height: 20px;" type="text"/>																					
<b>j</b>	Responsibilities	<input style="width: 100%; height: 20px;" type="text"/>																					
<b>k</b>	Reason for leaving:	<table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 5%;"><b>a</b></td> <td style="width: 85%;">Resignation</td> <td style="width: 10%;"><input type="checkbox"/></td> </tr> <tr> <td><b>b</b></td> <td>Redundancy</td> <td><input type="checkbox"/></td> </tr> <tr> <td><b>c</b></td> <td>Retirement</td> <td><input type="checkbox"/></td> </tr> <tr> <td><b>d</b></td> <td>Termination/dismissal</td> <td><input type="checkbox"/></td> </tr> <tr> <td><b>e</b></td> <td>End of contract</td> <td><input type="checkbox"/></td> </tr> <tr> <td><b>f</b></td> <td>Other</td> <td><input type="checkbox"/></td> </tr> </table>				<b>a</b>	Resignation	<input type="checkbox"/>	<b>b</b>	Redundancy	<input type="checkbox"/>	<b>c</b>	Retirement	<input type="checkbox"/>	<b>d</b>	Termination/dismissal	<input type="checkbox"/>	<b>e</b>	End of contract	<input type="checkbox"/>	<b>f</b>	Other	<input type="checkbox"/>
<b>a</b>	Resignation	<input type="checkbox"/>																					
<b>b</b>	Redundancy	<input type="checkbox"/>																					
<b>c</b>	Retirement	<input type="checkbox"/>																					
<b>d</b>	Termination/dismissal	<input type="checkbox"/>																					
<b>e</b>	End of contract	<input type="checkbox"/>																					
<b>f</b>	Other	<input type="checkbox"/>																					

Specify

**4.02 Employment details (2)**

<b>a</b>	Period (mm/yyyy)	From	<input type="text"/>	To	<input type="text"/>																		
<b>b</b>	Nature of employment	<table border="0"> <tr> <td><i>a</i></td> <td>Employed</td> <td><input type="checkbox"/></td> </tr> <tr> <td><i>b</i></td> <td>Self-employed</td> <td><input type="checkbox"/></td> </tr> <tr> <td><i>c</i></td> <td>Not employed</td> <td><input type="checkbox"/></td> </tr> <tr> <td><i>d</i></td> <td>Full-time education</td> <td><input type="checkbox"/></td> </tr> </table>				<i>a</i>	Employed	<input type="checkbox"/>	<i>b</i>	Self-employed	<input type="checkbox"/>	<i>c</i>	Not employed	<input type="checkbox"/>	<i>d</i>	Full-time education	<input type="checkbox"/>						
<i>a</i>	Employed	<input type="checkbox"/>																					
<i>b</i>	Self-employed	<input type="checkbox"/>																					
<i>c</i>	Not employed	<input type="checkbox"/>																					
<i>d</i>	Full-time education	<input type="checkbox"/>																					
	If c or d is ticked, please give details	<input type="text"/>																					
<b>c</b>	Name of employer	<input type="text"/>																					
<b>d</b>	Nature of business	<input type="text"/>																					
<b>e</b>	Previous / other names of employer	<input type="text"/>																					
<b>f</b>	Last known address of employer	<input type="text"/>																					
<b>g</b>	Is/was employer regulated by a regulatory body?	YES <input type="checkbox"/>	NO <input type="checkbox"/>	Name of regulatory body																			
				<input type="text"/>																			
<b>h</b>	Is/was employer an <i>appointed representative/tied agent</i> ?	YES <input type="checkbox"/>	NO <input type="checkbox"/>	If yes, of which <i>firm</i> ?																			
				<input type="text"/>																			
<b>i</b>	Position held	<input type="text"/>																					
<b>j</b>	Responsibilities	<input type="text"/>																					
<b>k</b>	Reason for leaving:	<table border="0"> <tr> <td><i>a</i></td> <td>Resignation</td> <td><input type="checkbox"/></td> </tr> <tr> <td><i>b</i></td> <td>Redundancy</td> <td><input type="checkbox"/></td> </tr> <tr> <td><i>c</i></td> <td>Retirement</td> <td><input type="checkbox"/></td> </tr> <tr> <td><i>d</i></td> <td>Termination/dismissal</td> <td><input type="checkbox"/></td> </tr> <tr> <td><i>e</i></td> <td>End of contract</td> <td><input type="checkbox"/></td> </tr> <tr> <td><i>f</i></td> <td>Other</td> <td><input type="checkbox"/></td> </tr> </table>				<i>a</i>	Resignation	<input type="checkbox"/>	<i>b</i>	Redundancy	<input type="checkbox"/>	<i>c</i>	Retirement	<input type="checkbox"/>	<i>d</i>	Termination/dismissal	<input type="checkbox"/>	<i>e</i>	End of contract	<input type="checkbox"/>	<i>f</i>	Other	<input type="checkbox"/>
<i>a</i>	Resignation	<input type="checkbox"/>																					
<i>b</i>	Redundancy	<input type="checkbox"/>																					
<i>c</i>	Retirement	<input type="checkbox"/>																					
<i>d</i>	Termination/dismissal	<input type="checkbox"/>																					
<i>e</i>	End of contract	<input type="checkbox"/>																					
<i>f</i>	Other	<input type="checkbox"/>																					
	Specify	<input type="text"/>																					



I have supplied further information related to this page in Section 6 YES  NO



**Disclosure Note:**

We require firms to disclose all relevant information relating to a *candidate's* fitness and propriety. If there is any doubt about the relevance of the information, the information should be disclosed. The *FCA/PRA* takes non-disclosure very seriously and may consider it to be evidence of dishonesty and/or lack of integrity. In all circumstances, disclosures should be full, frank and unambiguous; in doubt, disclose. In the event that a *candidate* discloses adverse information to applicant firm (or the applicant firm knows of adverse information by some other means) the applicant firm has a duty to disclose that information candidly to the *FCA/PRA* and explain why the applicant firm considers this does not affect the *candidate's* fitness and propriety (this paragraph should be read in conjunction with the information on disclosure in the guidance notes corresponding to this form).

**5.01 Criminal Proceedings**

When answering the questions in this section *candidate* should include matters whether in the UK or overseas. By virtue of the Rehabilitation of Offenders Act 1974 (Exceptions) Order 1975, if the *candidate* is subject to the law of England and Wales, *candidate* must disclose spent convictions and cautions (other than a protected conviction or caution).

<b>5.01.1a</b>	<p>Has the <i>candidate</i> <b>ever</b> been convicted of any criminal offence (whether spent or not and whether or not in the <i>United Kingdom</i>):</p> <p style="margin-left: 20px;">i. involving fraud, theft, false accounting, offences against the administration of public justice (such as perjury, perverting the course of justice and intimidation of witnesses or jurors), serious tax offences or other dishonesty or</p> <p style="margin-left: 20px;">ii. relating to <i>companies, building societies, industrial and provident societies, credit unions, friendly societies, insurance, banking or other financial services, insolvency, consumer credit or consumer protection, money laundering, market manipulations or insider dealing?</i></p>	<p>YES <input type="checkbox"/> NO <input type="checkbox"/></p>
<b>b</b>	<p>Is the <i>candidate</i>, or has the <i>candidate</i> ever been, the subject of any criminal proceedings, whether in the UK or elsewhere?</p>	<p>YES <input type="checkbox"/> NO <input type="checkbox"/></p>
<b>c</b>	<p>Has the <i>candidate</i> <b>ever</b> been given a caution in relation to any criminal offence?</p>	<p>YES <input type="checkbox"/> NO <input type="checkbox"/></p>
<b>5.01.2</b>	<p>Has the <i>candidate</i> any convictions for any offences other than those in 5.01.1 above (excluding traffic offences that did not result in a ban from driving or did not involve driving without insurance)?</p>	<p>YES <input type="checkbox"/> NO <input type="checkbox"/></p>
<b>5.01.3</b>	<p>Has the <i>candidate</i> ever been ordered to produce documents pursuant to any criminal investigation or been the subject of a search (with or without a warrant) pursuant to any criminal investigation?</p>	<p>YES <input type="checkbox"/> NO <input type="checkbox"/></p>



I have supplied further information related to this page in Section 6 YES  NO

**5.01.4**

Has any firm at which the *candidate* holds or has held a position of influence ever:

(Please check the guidance notes for the meaning of 'position of influence' in the context of the questions in this part of the form.)

YES  NO

**a** Been convicted of any criminal offence?

YES  NO

**b** Been the subject of any criminal proceeding which has not resulted in a conviction?

YES  NO

**c** Been ordered to produce documents in relation to any criminal investigation or been the subject of a search (with or without a warrant) in relation to any criminal investigation?

YES  NO



I have supplied further information related to this page in Section 6

YES  NO

## 5.02 Civil Proceedings

<b>5.02.1</b>	Has the <i>candidate</i> , <b>ever</b> been the subject of a judgement debt or award against the <i>candidate</i> ?	YES <input type="checkbox"/>	NO <input type="checkbox"/>
	Please give a full explanation of the events in questions, ensuring that it adheres to the Disclosure Note at the beginning of this form.		
	<i>Candidate</i> should include all County Court Judgement(s) (CCJs) made against the <i>candidate</i> , whether satisfied or not); and		
	i) the sum and date of all judgements debts, awards or CCJs (whether satisfied or not); and		
	ii) the total number of all judgment debts, awards or CCJs ordered.		
<b>5.02.2</b>	Has the <i>candidate</i> ever been party to any civil proceedings which resulted in any order against the <i>candidate</i> (other than a judgement debt or award referred to in 5.02.1 above)? ( <i>candidate</i> should include, for example, injunctions and employment tribunal proceedings.)	YES <input type="checkbox"/>	NO <input type="checkbox"/>
<b>5.02.3</b>	Is the <i>candidate</i> aware of:		
<b>a</b>	Any proceedings that have begun, or anyone's intention to begin proceedings against the <i>candidate</i> , for a CCJ or another judgement debt?	YES <input type="checkbox"/>	NO <input type="checkbox"/>
<b>b</b>	More than one set of proceedings, or anyone's intention to begin more than one set of proceedings, that may lead to a CCJ or other judgement debt?	YES <input type="checkbox"/>	NO <input type="checkbox"/>
<b>c</b>	Anybody's intention to claim more than £1,000 of CCJs or judgement debts in total from the <i>candidate</i> ?	YES <input type="checkbox"/>	NO <input type="checkbox"/>
<b>5.02.4</b>	Does the <i>candidate</i> have any <b>current</b> judgment debts (including CCJs) made under a court order still outstanding, whether in full or in part?	YES <input type="checkbox"/>	NO <input type="checkbox"/>
<b>5.02.5</b>	Has the <i>candidate</i> <b>ever</b> failed to satisfy any such judgment debts (including CCJs) made under a court order still outstanding, whether in full or part, within one year of the order being made?	YES <input type="checkbox"/>	NO <input type="checkbox"/>



I have supplied further information related to this page in Section 6 YES  NO

<b>5.02.6</b>	Has the <i>candidate</i> ever:	YES <input type="checkbox"/>	NO <input type="checkbox"/>
<b>a</b>	Filed for the <i>candidate</i> 's own bankruptcy or had a bankruptcy petition served on the <i>candidate</i> ?	YES <input type="checkbox"/>	NO <input type="checkbox"/>
<b>b</b>	Been adjudged bankrupt?	YES <input type="checkbox"/>	NO <input type="checkbox"/>
<b>c</b>	Been the subject of a bankruptcy restrictions order (including an interim bankruptcy restrictions order) or offered a bankruptcy restrictions undertaking?	YES <input type="checkbox"/>	NO <input type="checkbox"/>
<b>d</b>	Made any arrangements with the <i>candidate</i> 's creditors, for example a deed of arrangement or an individual voluntary arrangement (or in Scotland a trust deed)?	YES <input type="checkbox"/>	NO <input type="checkbox"/>
<b>e</b>	Had assets sequestrated?	YES <input type="checkbox"/>	NO <input type="checkbox"/>
<b>f</b>	Been involved in any proceedings relating to the above matters even if such proceedings did not result in the making of any kind of order against the <i>candidate</i> or result in any kind of agreement with the <i>candidate</i> ?	YES <input type="checkbox"/>	NO <input type="checkbox"/>
<b>5.02.7</b>	Does the <i>candidate</i> , or any undertaking under their management, have any outstanding financial obligations arising from <i>regulated activities</i> , which have been carried out in the past? (whether or not in the UK or overseas)?	YES <input type="checkbox"/>	NO <input type="checkbox"/>
<b>5.02.8</b>	Has the <i>candidate</i> ever been adjudged by a court or tribunal (whether criminal, civil or administrative) for any fraud, misfeasance, negligence, wrongful trading or other misconduct?	YES <input type="checkbox"/>	NO <input type="checkbox"/>
<b>5.02.9</b>	Is the <i>candidate</i> currently:		
<b>a</b>	Party to any civil proceedings? (including those covered in 5.02.7 above)	YES <input type="checkbox"/>	NO <input type="checkbox"/>
<b>b</b>	Aware of anybody's intention to begin civil proceedings against the <i>candidate</i> ? ( <i>candidate</i> should include any ongoing disputes whether or not such dispute is likely to result in any order against the <i>candidate</i> .)	YES <input type="checkbox"/>	NO <input type="checkbox"/>
<b>5.02.10</b>	Has any firm at which the <i>candidate</i> holds or has held a position of influence ever been:	YES <input type="checkbox"/>	NO <input type="checkbox"/>
<b>a</b>	Adjudged by a court civilly liable for any fraud, misfeasance, wrongful trading or other misconduct?	YES <input type="checkbox"/>	NO <input type="checkbox"/>
<b>b</b>	The subject of a judgement debt or award against the firm? ( <i>candidate</i> should include all CCJs made against the firm, whether satisfied or not.)	YES <input type="checkbox"/>	NO <input type="checkbox"/>
<b>c</b>	Party to any other civil proceedings which resulted in an order against the firm other than in relation to matters covered in 5.02.10a and 5.02.10b above?	YES <input type="checkbox"/>	NO <input type="checkbox"/>



I have supplied further information related to this page in Section 6 YES  NO

**5.02.11** Is any firm at which the *candidate* currently holds or has held, within the last 12 months from the date of the submission of this form, a position of influence currently:

**a** a party to civil proceedings?

YES  NO

**b** aware of anyone's intention to begin civil proceedings against them?

YES  NO

**5.02.12** Has any company, partnership or unincorporated association of which the *candidate* is or has been a controller, director, senior manager, partner or company secretary, in the United Kingdom or elsewhere, at any time during their involvement, or within one year of such an involvement, been put into liquidation, wound up, ceased trading, had a receiver or administrator appointed or entered into any voluntary arrangement with its creditors?

YES  NO



I have supplied further information related to this page in Section 6

YES  NO

### 5.03 Business and Employment Matters

**5.03.1** Has the *candidate* ever been:

**a** Disqualified from acting as a director or similar position (one where the *candidate* acts in a management capacity or conducts the affairs of any company, partnership or unincorporated association)?

YES  NO

**b** The subject of any proceedings of a disciplinary nature (whether or not the proceedings resulted in any finding against the *candidate*)?

YES  NO

**c** The subject of any investigation which has led or might lead to disciplinary proceedings?

YES  NO

**d** Notified of any potential proceedings of a disciplinary nature against the *candidate*?

YES  NO

**e** The subject of an investigation into allegations of misconduct or malpractice in connection with any business activity? (This question covers internal investigation by an authorised firm, as well as investigation by a regulatory body, at any time.)

YES  NO

**5.03.2** Has the *candidate* ever been refused entry to, or been dismissed, suspended or requested to resign from, any professional, vocation, office or employment, or from any fiduciary office or position of trust whether or not remunerated?

YES  NO

**5.03.3** Does the *candidate* have any material written complaints made against the *candidate* by the *candidate*'s clients or former clients in the last five years which the *candidate* has accepted, or which are awaiting determination, or have been upheld – by an ombudsman or complaints scheme?

YES  NO



I have supplied further information related to this page in Section 6

YES  NO

## 5.04 Regulatory Matters

- 5.04.1** In relation to activities regulated by the *FCA* and/or *PRA* or any other regulatory body (see note section 5), has:
- the *candidate*, or
  - any company, partnership or unincorporated associate of which the *candidate* is or has been a controller, director, senior manager, partner or company secretary, during the *candidate's* association with the entity and for a period of three years after the *candidate* ceased to be associated with it, ever –
- a** Been refused, had revoked, restricted, been suspended from or terminated, any licence, authorisations, registration, notification, membership or any other permission granted by any such body? YES  NO
- b** Been criticised, censured, disciplined, suspended, expelled, fined or been the subject of any other disciplinary or interventional action by any such body? YES  NO
- c** Received a warning (whether public or private) that such disciplinary or interventional action may be taken against the *candidate* or the firm? YES  NO
- d** Been the subject of an investigation by any regulatory body, whether or not such an investigation resulted in a finding against the *candidate* or the firm? YES  NO
- e** Been required or requested to produce documents or any other information to any regulatory body in connection with such an investigation (whether against the firm or otherwise)? YES  NO
- f** Been investigated or been involved in an investigation by an inspector appointed under companies or any other legislation, or required to produce documents to the Secretary of State, or any other authority, under any such legislation? YES  NO
- g** Ceased operating or resigned whilst under investigation by any such body or been required to cease operating or resign by any regulatory body? YES  NO
- h** Decided, after making an application for any licence, authorisation, registration, notification, membership or any permission granted by any such body, not to proceed with it? YES  NO
- i** Been the subject of any civil action related to any regulated activity which has resulted in a finding by a court? YES  NO
- j** Provided payment services or distributed or redeemed e-money on behalf of a regulated firm or itself under any contractual agreement where that agreement was terminated by the regulated firm? YES  NO
- k** Been convicted of any criminal offence, censured, disciplined or publicly criticised by any inquiry, by the Takeover Panel or any governmental or statutory authority or any other regulatory body (other than as indicated in this group of questions). YES  NO



I have supplied further information related to this page in Section 6 YES  NO

**5.04.2**

In relation to activities regulated by the *FCA/PRA* or any other regulatory body, has the *candidate* or any firm at which the *candidate* holds or has held a position of influence at any time during and within one year of the *candidate*'s association with the firm ever:

- a**      Been found to have carried on activities for which authorisation or registration by the *FCA/PRA* or any other regulatory body is required without the requisite authorisations?
- b**      Been investigated for the possible carrying on of activities requiring authorisation or registration by the *FCA/PRA* or any other regulatory body without the requisite authorisation whether or not such investigation resulted in a finding against the *candidate*?
- c**      Been found to have performed a senior management function or other controlled function (or an equivalent function requiring approval by the *FCA/PRA* or any other regulatory body) without the requisite approval?
- d**      Been investigated for the possible performance of a senior management function or other controlled function (or an equivalent function requiring approval by the *FCA/PRA* or any other regulatory body) without the requisite approval, whether or not such investigation resulted in a finding against the *candidate*?
- e**      Been found to have failed to comply with an obligation under the Electronic Money Regulations 2011 or Payment Services Regulations 2009 to notify the *FCA/PRA* of the identity of a person acting in a position of influence over its electronic money or payment services business?
- f**      Been the subject of disqualification direction under section 59 of the Financial Services Act 1986 or a prohibition order under section 56 FSMA, or received a warning notice proposing that such a direction or order be made, or received a private warning?

YES	<input type="checkbox"/>	NO	<input type="checkbox"/>
YES	<input type="checkbox"/>	NO	<input type="checkbox"/>
YES	<input type="checkbox"/>	NO	<input type="checkbox"/>
YES	<input type="checkbox"/>	NO	<input type="checkbox"/>
YES	<input type="checkbox"/>	NO	<input type="checkbox"/>
YES	<input type="checkbox"/>	NO	<input type="checkbox"/>



I have supplied further information related to this page in Section 6

YES  NO



**5.05 Other Matters**

**5.05.1** Is the *candidate*, in the role to which the application relates, aware of any business interests, employment obligations, or any other circumstance which may conflict with the performance of the senior management functions for which approval is now being sought?

YES  NO

**5.05.2** Are the *candidate* or the *firm* aware of any other information relevant to this notification that we might reasonably expect from the *candidate*?

YES  NO

**5.05.3** Has the *firm* undertaken a criminal records check in accordance with the requirements of the *FCA* or *PRA*?

Please note that a *firm* is required to *obtain* the fullest information that it is lawfully able to obtain about the *candidate* under Part V of the Police Act 1997 (Certificates of Criminal records, etc) and related subordinated legislation of the *UK* or any part of the *UK* before making the application. (SUP 10C.10.16R and Senior Managers Regime - Applications and Notifications in the *PRA* Rulebook])

YES  NO

If yes, please enter date the check was undertaken

Date (dd/mm/yy):

*Note: if date is more than 3 months prior to current date or 3 months prior to date of application submission or the check has not been undertaken, please provide details why in section 6.*

**5.05.4** Has / Have a reference or references been obtained from previous employer(s) in accordance with the requirements of the *FCA* or *PRA*?

If No, please provide details why the reference or references has/have not been obtained.

YES  NO



I have supplied further information related to this page in Section 6

YES  NO

## Supplementary information for Senior Management Functions Section 6

- 6.00**
- If there is any other information the *candidate* or the *firm* considers to be relevant to the application, it must be included here.
  - Please provide full details of
    - why the *candidate* is competent and capable to carry out the senior management function(s) applied for.
    - why the appointment complements the firm's business strategy, activity and market in which it operates.
    - how the appointment was agreed including details of any discussions at governing body level (where applicable).
  - Provide a copy of the *candidate's*:-
    - *Statement of Responsibilities* with this form
    - Roles description
    - Curriculum Vitae (C.V)
    - Organisational chart
  - Provide a copy of the firm's *management responsibilities map* (SYSC 4.5, SYSC 4.6 and SUP 10C.9.10G, and Allocation of Responsibilities in the *PRA* Rulebook)
  - A *firm* should include any handover certificate and a reasonable summary of any other handover material (as referred to in SYSC 4.9.4R to SYSC 4.9.8G and SUP 10C.10.13G) and Senior Management Functions Chapter 2 in the *PRA* Rulebook.
  - Please also include here any additional information indicated in previous sections of the Form.
  - **Please include a list of all directorships currently or previously held by the *candidate* in the past 10 years (where *director* has the meaning given in the *Glossary*.)**
  - If there is insufficient space, please continue on a separate sheet of paper and clearly identify the section and question to which the additional information relates.
  - **Full details must be provided here if there were any issues that could affect the Fitness and Propriety of the individual that arose when leaving an employer listed in section 4 or if any question has been answered 'yes' in section 5.**

Question	Information

# Declarations and signatures

## Section 7

### Declaration of *Candidate*

It is a criminal offence, knowingly or recklessly, to give the *FCA* and/or *PRA* information that is materially false, misleading or deceptive (see sections 398 and 400 Financial Services and Markets Act 2000). Even if you believe or know that information has been provided to the *FCA* and/or *PRA* before (whether as part of another application or otherwise) or is in the public domain, you must nonetheless disclose it clearly and fully in this form and as part of this application – you should not assume that the *FCA* and/or *PRA* will itself identify such information during the assessment of this application. If there is any doubt about the relevance of information, it should be included.

There will be a delay in processing the application if information is inaccurate or incomplete, and it may call into question the suitability of the applicant and/or lead to the *FCA* and/or *PRA* exercising its powers (including but not limited to taking disciplinary/ Enforcement action). You must notify the *FCA* and/or *PRA* immediately if there is a change to the information in this form and/or if inaccurate information has been provided (insofar as the *FCA* and/or *PRA* is reasonably likely to consider the information material).

The *candidate* confirms that the information provided in this application is accurate and complete to the best of his/her knowledge and that he or she has read the notes to this form. The *candidate* will notify the *FCA* and/or *PRA* immediately if there is a material change to the information provided.

The *candidate* confirms that the attached Statement of Responsibilities accurately reflects the aspects of the affairs of the firm which it is intended that the *candidate* will be responsible for managing. The *candidate* confirms that they have accepted all the responsibilities set out in this Statement of Responsibilities.

The *candidate* authorises the *FCA* and/or *PRA* to make such enquiries and seek such further information as it thinks appropriate to identify and verify information that it considers relevant to the assessment of this application.

The *candidate* acknowledges and agrees that these checks may include credit reference checks or information pertaining to fitness and propriety, and is aware that the results of these enquiries may be disclosed to the employer/Applicant.

The *candidate* agrees that he or she may be required to apply for a search to be made as to whether any criminal records are held in relation to him or her and to obtain a certificate (where such certificate can be obtained) and to disclose the result of that search to the firm submitting this application.

The *candidate* agrees that the *FCA* and/or *PRA* may use the address specified for the *candidate* in this Form as the proper address for service in the United Kingdom as defined in Financial Services and Markets Act 2000 (Service of Notice) Regulations (SI 2001/1420) to serve any notices on that signatory.

For the purposes of complying with the Data Protection Act 1998, the personal information provided in this Form will be used by the *FCA* and *PRA* to discharge their statutory functions under the Financial Services and Markets Act 2000 and other relevant legislation, and will not be disclosed for any other purpose without the permission of the applicant.

The *candidate* confirms that he or she understands the regulatory responsibilities of my proposed role as set out in the rules of conduct in the *FCA*'s COCON and/or *PRA* Conduct Rules (as applicable).

The *candidate* is aware that, while advice may be sought from a third party (e.g. legal advice), responsibility for the accuracy of information, as well as the disclosure of relevant information, on the Form is ultimately the responsibility of those who sign the application.

In addition to other regulatory responsibilities, firms, and approved persons have a responsibility to disclose to the *FCA* and/or *PRA* matters of which it would reasonably expect to be notified. Failure to notify the *FCA* and/or *PRA* of such information may lead to the *FCA* and/or *PRA* taking disciplinary or other action against the firm and/or individuals.

Tick here to confirm you have read and understood this declaration:

**7.01** *Candidate's* full name

**7.02** Signature

Date

## Declaration of Firm

It is a criminal offence, knowingly or recklessly, to give the *FCA* and/or *PRA* information that is materially false, misleading or deceptive (see sections 398 and 400 Financial Services and Markets Act). Even if you believe or know that information has been provided to the *FCA* and/or *PRA* before (whether as part of another application or otherwise) or is in the public domain, you must nonetheless disclose it clearly and fully in this form and as part of this application – you should not assume that the *FCA* and/or *PRA* will itself identify such information during the assessment of this application. If there is any doubt about the relevance of information, it should be included.

There will be a delay in processing the application if information is inaccurate or incomplete, and it may call into question the suitability of the applicant and/or lead to the *FCA* and/or *PRA* exercising its powers (including but not limited to taking disciplinary/ Enforcement action). You must notify the *FCA* and/or *PRA* immediately if there is a change to the information in this form and/or if inaccurate information has been provided (insofar as the *FCA* and/or *PRA* is reasonably likely to consider the information material).

In addition to other regulatory responsibilities, firms, and approved persons have a responsibility to disclose to the *FCA* and/or *PRA*, matters of which it would reasonably expect to be notified. Failure to notify the *FCA* and/or *PRA* of such information may lead to the *FCA* and/or *PRA* taking disciplinary or other action against the firm and/or individuals.

The Applicant confirms that the information provided in this application is accurate and complete to the best of its knowledge and that it has read the notes to this form. The Applicant will notify the *FCA* and/or *PRA* immediately if there is a material change to the information provided.

The Applicant authorises the *FCA* and/or *PRA* to make such enquiries and seek such further information as it thinks appropriate to identify and verify information that it considers relevant to the assessment of this application.

The Applicant confirms that it has obtained the fullest information that it is lawfully able to obtain about the Individual under Part V of the Police Act 1997 and any related subordinate legislation of the UK or any part of the UK, and has given due consideration to that information in determining that Individual to be fit and proper.

In making this application the *firm* believes on the basis of due and diligent enquiry and, where applicable, by reference to the criteria in FIT that the *candidate* is a fit and proper person to perform the controlled function(s) listed in section 3. The firm also believes, on the basis of due and diligent enquiry, that the *candidate* is competent to fulfil the duties required in the performance of such function(s).

The Applicant confirms that it has complied with its obligations under Equality and Diversity legislation when selecting the Individual to perform the function(s) applied for.

The Applicant confirms that it has made the Individual aware of their regulatory responsibilities as set out in the rules of conduct in the *FCA*'s COCON and/or *PRA* Conduct Rules (as applicable).

The Applicant confirms that the Statement of Responsibilities submitted with this form accurately reflects the aspects of the affairs of the Firm which it is intended that the *candidate* will be responsible for managing.

The Applicant is aware that, while advice may be sought from a third party (e.g. legal advice), responsibility for the accuracy of information, as well as the disclosure of relevant information, on the Form is ultimately the responsibility of those who sign the application.

In signing this form on behalf of the firm: **I confirm that the information in this Form is accurate and complete to the best of my knowledge and belief and that I have read the notes to this Form.**

I confirm that I have authority to make this application and provide the declarations given by the firm, and sign this Form, on behalf of the firm identified in section 2.01 and/or each *firm* identified in section 3.04. I also confirm that a copy of this Form, as submitted to the *FCA* and/or *PRA*, will be sent to each of those *firms* at the same time as submitting the Form to the *FCA* and/or *PRA*.

7.03 Name of the *firm* submitting the application

7.04 Name of *person* signing on behalf of the *firm*

7.05 Job title

7.06 Signature

Date

The following new forms for EEA relevant authorised persons are inserted into this Annex. The text is new and is not underlined.

Short Form A (EEA Relevant Authorised Persons only)

Application number  
(for FCA use only)

The FCA has produced notes which will assist both the applicant and the candidate in answering the questions in this form. Please read these notes, which are available on the FCA website at:

<http://fshandbook.info/FS/html/FCA/SUP/10C/Annex2D>

Both the applicant and the candidate will be treated by the FCA as having taken these notes into consideration when completing this form.

# Short Form A – EEA Relevant Authorised Persons Only

## Application to perform senior management functions

FCA Handbook Reference: SUP 10C Annex 2D  
[DATE TBC]

Name of *candidate*  
(to be completed by applicant firm)

Name of *firm*  
(as entered in 2.01)

*Firm* reference number  
(as entered in 2.02)

Financial Conduct Authority  
25 The North Colonnade  
Canary Wharf  
London E14 5HS  
United Kingdom  
Telephone +44 (0) 300 500 0597  
E-mail [iva@fca.org](mailto:iva@fca.org)  
Website <http://www.fca.org>  
Registered as a Limited Company in England and  
Wales No 1920623. Registered Office as above

**Personal identification details**

**Section 1**

<b>1.01 a</b>	<i>Candidate</i> Individual Reference Number (IRN)	<input type="text"/>
<b>b</b>	OR name of previous regulatory body	<input type="text"/>
<b>c</b>	AND previous reference number (if applicable)	<input type="text"/>
<b>1.02</b>	Title (e.g. Mr, Mrs, Ms, etc)	<input type="text"/>
<b>1.03</b>	Surname	<input type="text"/>
<b>1.04</b>	ALL forenames	<input type="text"/>
<b>1.05</b>	Name commonly known by	<input type="text"/>
<b>1.06</b>	Date of birth (dd/mm/yyyy)	<input type="text"/>
<b>1.07</b>	National Insurance number	<input type="text"/>
<b>1.08</b>	Previous name	<input type="text"/>
<b>1.09</b>	Date of name change	<input type="text"/>
<b>1.10 a</b>	Nationality	<input type="text"/>
<b>b</b>	Passport number (if National Insurance number not available)	<input type="text"/>
<b>1.11</b>	Place of birth	<input type="text"/>



I have supplied further information related to this page in Section 6 YES  NO

**1.12 a** Private address

**b** Postcode

**c** Dates resident at this address (mm/yyyy) From To **PRESENT**

**(If address has changed in the last three years, please provide addresses for the previous three years.)**

**1.13 a** Previous address 1

**b** Postcode

**c** Dates resident at this address (mm/yyyy) From To

**1.14 a** Previous address 2

**b** Postcode

**c** Dates resident at this address (mm/yyyy) From To



I have supplied further information related to this page in Section 6 YES  NO

<b>2.01</b>	Name of <i>firm</i> making the application	<input type="text"/>
<b>2.02</b>	Firm Reference Number (FRN)	<input type="text"/>
<b>2.03 a</b>	Who should the <i>FCA</i> contact at the <i>firm</i> in relation to this application?	<input type="text"/>
<b>b</b>	Position	<input type="text"/>
<b>c</b>	Telephone	<input type="text"/>
<b>d</b>	Fax	<input type="text"/>
<b>e</b>	E-mail	<input type="text"/>



I have supplied further information related to this page in Section 6 YES  NO



**3.01** Nature of the arrangement between the candidate and the applicant.

*a* Employee

*b* Group employee

Name of group

*c* Contract for services

*d* Partner

*g* Other

Give details

**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
SMF17	Money Laundering Reporting		
SMF21	EEA Branch Senior Manager		

3.03 Job title

**Insurance mediation**

Will the candidate be responsible for insurance mediation at the firm? YES  NO

(Note: Yes can only be selected if the individual is applying for a governing function (other than a non-executive director function) (MIPRU 2.2.2))



I have supplied further information related to this page in Section 6<sup>†</sup> YES  NO

**3.04**

**Complete this section only if the application is on behalf of more than one *firm*.**

List all *firms* within the *group* (including the *firm* entered in 2.01) for which the *candidate* requires approval and the requested *senior management function* for that *firm*.<sup>†</sup>

	<b>Firm Reference Number</b>	<b>Name of <i>firm</i></b>	<b><i>Senior Management Function</i></b>	<b>Job title</b>	<b>Effective date</b>
<b>a</b>					
<b>b</b>					
<b>c</b>					
<b>d</b>					
<b>e</b>					



I have supplied further information related to this page in Section 6

YES

NO

This section has been removed. However if there has been a change to the detail in this section since your last approval, you must submit a Long Form A as opposed to a Short Form A informing the *FCA* of the revised detail.

This section has been removed. However if there has been a change to the detail in this section since your last approval, you must submit a Long Form A as opposed to a Short Form A informing the *FCA* of the revised detail.

6.00

- If there is any other information the *candidate* or the *firm* considers to be relevant to the application, it must be included here.
- If this application relates to a senior management function then please provide full details of
  - why the candidate is competent and capable to carry out the senior management function(s) applied for.
  - why the appointment complements the firm's business strategy, activity and market in which it operates.
  - how the appointment was agreed including details of any discussions at governing body level (where applicable).
- Provide a copy of the candidate's:
  - *Statement of responsibilities* with this form
  - *Roles description*
  - Curriculum vitae (C.V)
  - Organisational chart
- Provide a copy of the firm's *management responsibilities map* (SYSC 4.6)
- Please also include here any additional information indicated in previous sections of the Form.
- **Please include a list of all directorships currently or previously held by the *candidate* in the past 10 years (where *director* has the meaning given in the *Glossary*.)**
- If there is insufficient space, please continue on a separate sheet of paper and clearly identify the section and question to which the additional information relates.
- **Full details must be provided here if there were any issues that could affect the Fitness and Propriety of the individual that arose when leaving an employer listed in section 4 or if any question has been answered 'yes' in section 5.**

Question	Information

**Declaration of *Candidate***

Knowingly or recklessly giving the *FCA* information which is false or misleading in a material particular may be a criminal offence (sections 398 and 400 of the Financial Services and Markets Act 2000).

It should not be assumed that information is known to the *FCA* merely because it is in the public domain or has previously been disclosed to the *FCA* or another regulatory body. If there is any doubt about the relevance of information, it should be included.

For the purposes of complying with the Data Protection Act 1998, the personal information provided in this Form will be used by the *FCA* to discharge its statutory functions under the Financial Services and Markets Act 2000 and other relevant legislation, and will not be disclosed for any other purpose without the permission of the applicant.

With reference to the above, the *FCA* may seek to verify the information given in this Form including answers pertaining to fitness and propriety. This may include a credit reference check.

**In signing this form below:**

**a) I authorise the *FCA* to make such enquiries and seek such further information as it thinks appropriate in the course of verifying the information given in this Form. Individual candidates may be required to apply to the Criminal Records Bureau for a search to be made as to whether any criminal records are held in relation to them and to disclose the result of that search to us. I also understand that the results of these checks may be disclosed to the firm submitting this application'**

**b) I confirm that the information in this Form is accurate and complete to the best of my knowledge and belief and that I have read the notes to this Form.** I confirm that the attached Statement of Responsibilities accurately reflects the aspects of the affairs of the firm which it is intended that I will be responsible for managing. I confirm that I have accepted all the responsibilities set out in this Statement of Responsibilities.

**c) I confirm that I understand the regulatory responsibilities of my proposed role as set out in COCON**

**7.01** *Candidate's* full name

**7.02** Signature

Date

## Declaration of Firm

Knowingly or recklessly giving the *FCA* information which is false or misleading in a material particular may be a criminal offence (sections 398 and 400 of the Financial Services and Markets Act 2000). *SUP* 15.6.1R and *SUP* 15.6.4R require an *authorised person* to take reasonable steps to ensure the accuracy and completeness of information given to the *FCA* and to notify the *FCA* immediately if materially inaccurate information has been provided.

Where an *approved person* is responsible for reporting matters to the *FCA*, failure to inform the *FCA* of materially significant information of which he is aware is a breach of COCON. Contravention of these requirements may lead to disciplinary sanctions or other enforcement action by the *FCA*. It should not be assumed that information is known to the *FCA* merely because it is in the public domain or has previously been disclosed to the *FCA* or another regulatory body. If there is any doubt about the relevance of information, it should be included.

**In making this application the firm believes on the basis of due and diligent enquiry that the candidate is a fit and proper person to perform the controlled function(s) listed in section 3.**

**FOR FIRMS UNDERTAKING ANY NON MiFID BUSINESS PLEASE ALSO COMPLETE THE FOLLOWING**

**The firm also believes, on the basis of due and diligent enquiry, that the candidate is competent to fulfil the duties required in the performance of such function(s).**

YES  NO

With reference to the above, the *FCA* may seek to verify the information given in this Form including answers pertaining to fitness and propriety. This may include a credit reference check.

**In signing this form on behalf of the firm:**

**a) I confirm that the information in this Form is accurate and complete to the best of my knowledge and belief and that I have read the notes to this Form.**

**b) I confirm that I have authority to make this application, and sign this Form, on behalf of each firm identified in section 3.05. I also confirm that a copy of this Form, as submitted to the FCA, will be sent to each of those firms at the same time as submitting the Form to the FCA.**

**c) I confirm the candidate has been made aware of the regulatory responsibilities of proposed role as set out in COCON.**

Tick here to confirm you have read and understood this declaration.

7.03	Name of the <i>firm</i> submitting the application <sup>†</sup>	<input type="text"/>
7.04	Name of <i>person</i> signing on behalf of the <i>firm</i> <sup>†</sup>	<input type="text"/>
7.05	Job title	<input type="text"/>
7.06	Signature	<input type="text"/>
	Date	<input type="text"/>



Long Form A (EEA Relevant Authorised Persons only)



Application number  
(for FCA use only)

The FCA has produced notes which will assist both the applicant and the candidate in answering the questions in this form. Please read these notes, which are available on the *FCA Handbook* website at: <http://fshandbook.info/FS/html/FCA/SUP/10C/Annex2D>

Both the applicant and the candidate will be treated by the FCA as having taken these notes into consideration when completing their answers to the questions in this form.

## Long Form A – EEA Relevant Authorised Persons only

### Application to perform senior management functions

*FCA Handbook* Reference: SUP 10C Annex 2D

[DATE TBC]

Name of *candidate*  
(to be completed by applicant firm)

Name of *firm*  
(as entered in 2.01)

*Firm* reference number  
(as entered in 2.02)

Financial Conduct Authority  
25 The North Colonnade  
Canary Wharf  
London E14 5HS  
United Kingdom

Telephone +44 (0) 300 500 0597  
E-mail [iva@fca.org.uk](mailto:iva@fca.org.uk)  
Website <http://www.fca.org.uk>

Registered as a Limited Company in England and Wales No 1920623. Registered Office as above

**Personal identification details**

**Section 1**

<b>1.01 a</b>	<i>Candidate</i> Individual Reference Number (IRN)	<input type="text"/>
<b>b</b>	OR name of previous regulatory body	<input type="text"/>
<b>c</b>	AND previous reference number (if applicable)	<input type="text"/>
<b>1.02</b>	Title (e.g. Mr, Mrs, Ms, etc)	<input type="text"/>
<b>1.03</b>	Surname	<input type="text"/>
<b>1.04</b>	ALL forenames	<input type="text"/>
<b>1.05</b>	Name commonly known by	<input type="text"/>
<b>1.06</b>	Date of birth (dd/mm/yyyy)	<input type="text"/>
<b>1.07</b>	National Insurance number	<input type="text"/>
<b>1.08</b>	Previous name	<input type="text"/>
<b>1.09</b>	Date of name change	<input type="text"/>
<b>1.10 a</b>	Nationality	<input type="text"/>
<b>b</b>	Passport number (if National Insurance number not available)	<input type="text"/>
<b>1.11</b>	Place of birth	<input type="text"/>



**I have supplied further information related to this page in Section 6**

YES

NO

1.12 a Private address

[Redacted address]

b

Postcode

[Redacted postcode]

c

Dates resident at this address  
(mm/yyyy)

From

[Redacted start date]

To

PRESENT

(If address has changed in the last three years, please provide addresses for the previous three years.)

1.13 a Previous address 1

[Redacted address]

b

Postcode

[Redacted postcode]

c

Dates resident at this address  
(mm/yyyy)

From

[Redacted start date]

To

[Redacted end date]

1.14 a Previous address 2

[Redacted address]

b

Postcode

[Redacted postcode]

c

Dates resident at this address  
(mm/yyyy)

From

[Redacted start date]

To

[Redacted end date]



I have supplied further information  
related to this page in Section 6

YES

NO

<b>2.01</b>	Name of <i>firm</i> making the application	<input type="text"/>
<b>2.02</b>	Firm Reference Number (FRN)	<input type="text"/>
<b>2.03 a</b>	Who should the <i>FCA</i> contact at the <i>firm</i> in relation to this application?	<input type="text"/>
<b>b</b>	Business Address	<input type="text"/>
<b>c</b>	Position	<input type="text"/>
<b>d</b>	Telephone	<input type="text"/>
<b>e</b>	E-mail	<input type="text"/>



I have supplied further information related to this page in Section 6

**YES**

**NO**

**3.01** Nature of the arrangement between the candidate and the applicant.

a Employee

---

b Group employee

Name of group

---

c Contract for services

---

d Partner

---

g Other

Give details

**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
SMF17	Money Laundering Reporting		
SMF21	EEA Branch Senior Manager		

Job title

**3.03 Insurance mediation**

Will the candidate be responsible for Insurance mediation at the firm? YES  NO

(Note: Yes can only be selected if the individual is applying for a governing function (other than a non-executive director function) (MIPRU 2.2.2))

➔ I have supplied further information related to this page in Section 6<sup>†</sup> YES  NO

**3.04 Complete this section only if the application is on behalf of more than one firm.**

List all *firms* within the *group* (including the *firm* entered in 2.01) for which the *candidate* requires approval and the requested *senior management function* for that *firm*.<sup>†</sup>

	<b>Firm Reference Number</b>	<b>Name of firm</b>	<b>Senior Management Function</b>	<b>Job title</b>	<b>Effective date</b>
<b>a</b>					
<b>b</b>					
<b>c</b>					
<b>d</b>					
<b>e</b>					



I have supplied further information related to this page in Section 6

YES

NO

# Employment history for the past 5 years

# Section 4

N.B.: ALL gaps must be accounted for

4.01

## Employment details (1) <sup>†</sup>

<b>a</b>	Period (mm/yyyy)	From		To	
<b>b</b>	Nature of employment	<i>a</i>	Employed		<input type="checkbox"/>
		<i>b</i>	Self-employed		<input type="checkbox"/>
		<i>c</i>	Not employed		<input type="checkbox"/>
		<i>d</i>	Full-time education		<input type="checkbox"/>
	If <i>c</i> or <i>d</i> is ticked, please give details				
<b>c</b>	Name of employer				
<b>d</b>	Nature of business				
<b>e</b>	Previous / other names of employer				
<b>f</b>	Last known address of employer				
<b>g</b>	Is/was employer regulated by a regulatory body?	YES <input type="checkbox"/>	NO <input type="checkbox"/>	Name of regulatory body	
<b>h</b>	Is/was employer an <i>appointed representative/tied agent</i> ?	YES <input type="checkbox"/>	NO <input type="checkbox"/>	If yes, of which <i>firm</i> ?	
<b>i</b>	Position held				
<b>j</b>	Responsibilities				
<b>k</b>	Reason for leaving:	<i>a</i>	Resignation		<input type="checkbox"/>
		<i>b</i>	Redundancy		<input type="checkbox"/>
		<i>c</i>	Retirement		<input type="checkbox"/>
		<i>d</i>	Termination/dismissal		<input type="checkbox"/>
		<i>e</i>	End of contract		<input type="checkbox"/>
		<i>f</i>	Other		<input type="checkbox"/>
	Specify				

**4.02 Employment details (2) †**

**a** Period (mm/yyyy) From  /  To  /

**b** Nature of employment

<i>a</i> Employed	<input type="checkbox"/>
<i>b</i> Self-employed	<input type="checkbox"/>
<i>c</i> Not employed	<input type="checkbox"/>
<i>d</i> Full-time education	<input type="checkbox"/>

If *c* or *d* is ticked, please give details

**c** Name of employer

**d** Nature of business

**e** Previous / other names of employer

**f** Last known address of employer

**g** Is/was employer regulated by a regulatory body? YES  NO  Name of regulatory body

**h** Is/was employer an *appointed representative/tied agent*? YES  NO  If yes, of which *firm*?

**i** Position held

**j** Responsibilities

**k** Reason for leaving:

<i>a</i> Resignation	<input type="checkbox"/>
<i>b</i> Redundancy	<input type="checkbox"/>
<i>c</i> Retirement	<input type="checkbox"/>
<i>d</i> Termination/dismissal	<input type="checkbox"/>
<i>e</i> End of contract	<input type="checkbox"/>
<i>f</i> Other	<input type="checkbox"/>

Specify

➔ I have supplied further information related to this page in Section 6 YES  NO



**Disclosure Note:**

We require firms to disclose all relevant information relating to a *candidate's* fitness and propriety. If there is any doubt about the relevance of the information, the information should be disclosed. The FCA takes non-disclosure very seriously and may consider it to be evidence of dishonesty and/or lack of integrity. In all circumstances, disclosures should be full, frank and unambiguous; if in doubt, disclose. In the event that a *candidate* discloses adverse information to the applicant firm (or the applicant firm knows of adverse information by some other means) the applicant firm has a duty to disclose that information candidly to the FCA and explain why the applicant firm considers this does not affect the *candidate's* fitness and propriety (this paragraph should be read in conjunction with the information on disclosure in the guidance notes corresponding to this form).

**5.01 Criminal Proceedings**

When answering the questions in this section you should include matters whether in the UK or overseas. By virtue of the Rehabilitation of Offenders Act 1974 (Exceptions) Order 1975, if the candidate is subject to the law of England and Wales, you must disclose spent convictions and cautions (other than a protected conviction or caution).

<p><b>5.01.1a</b></p> <p>Has the <i>candidate</i> <b>ever</b> been convicted of any criminal offence (whether spent or not and whether or not in the <i>United Kingdom</i>):</p> <p style="margin-left: 40px;">iii. involving fraud, theft, false accounting, offences against the administration of public justice (such as perjury, perverting the course of justice and intimidation of witnesses or jurors), serious tax offences or other dishonesty or</p> <p style="margin-left: 40px;">iv. relating to <i>companies, building societies, industrial and provident societies, credit unions, friendly societies, insurance, banking or other financial services, insolvency, consumer credit or consumer protection, money laundering, market manipulations or insider dealing?</i></p>	<p>YES <input type="checkbox"/> NO <input type="checkbox"/></p>
<p><b>b</b></p> <p>Is the <i>candidate</i>, or has the <i>candidate</i> ever been, the subject of any criminal proceedings, whether in the UK or elsewhere?</p>	<p>YES <input type="checkbox"/> NO <input type="checkbox"/></p>
<p><b>c</b></p> <p>Has the <i>candidate</i> <b>ever</b> been given a caution in relation to any criminal offence?</p>	<p>YES <input type="checkbox"/> NO <input type="checkbox"/></p>
<p><b>5.01.2</b></p> <p>Has the <i>candidate</i> any convictions for any offences other than those in 5.01.1 above (excluding traffic offences that did not result in a ban from driving or did not involve driving without insurance)?</p>	<p>YES <input type="checkbox"/> NO <input type="checkbox"/></p>
<p><b>5.01.3</b></p> <p>Has the <i>candidate</i> ever been ordered to produce documents pursuant to any criminal investigation or been the subject of a search (with or without a warrant) pursuant to any criminal investigation?</p>	<p>YES <input type="checkbox"/> NO <input type="checkbox"/></p>



I have supplied further information related to this page in Section 6 YES  NO

**5.01.4**

Has any firm at which the *candidate* holds or has held a position of influence ever:

(Please check the guidance notes for the meaning of 'position of influence' in the context of the questions in this part of the form.)

- a**      Been convicted of any criminal offence? YES       NO
- b**      Been the subject of any criminal proceeding which has not resulted in a conviction? YES       NO
- c**      Been ordered to produce documents in relation to any criminal investigation or been the subject of a search (with or without a warrant) in relation to any criminal investigation? YES       NO



I have supplied further information related to this page in Section 6 YES       NO

## 5.02 Civil Proceedings

<b>5.02.1</b>	Has the candidate, <b>ever</b> been the subject of a judgement debt or award against the candidate?	YES <input type="checkbox"/>	NO <input type="checkbox"/>
	<p>Please give a full explanation of the events in questions, ensuring that it adheres to the Disclosure Note at the beginning of this form.</p> <p><i>Candidate</i> should include all County Court Judgement(s) (CCJs) made against the <i>candidate</i>, whether satisfied or not); and</p> <p>i) the sum and date of all judgements debts, awards or CCJs (whether satisfied or not); and</p> <p>ii) the total number of all judgment debts, awards or CCJs ordered.</p>		
<b>5.02.2</b>	Has the <i>candidate</i> ever been party to any civil proceedings which resulted in any order against the <i>candidate</i> (other than a judgement debt or award referred to in 5.02.1 above)? (You should include, for example, injunctions and employment tribunal proceedings.)	YES <input type="checkbox"/>	NO <input type="checkbox"/>
<b>5.02.3</b>	Is the <i>candidate</i> aware of:		
<b>a</b>	Any proceedings that have begun, or anyone's intention to begin proceedings against the <i>candidate</i> , for a CCJ or another judgement debt?	YES <input type="checkbox"/>	NO <input type="checkbox"/>
<b>b</b>	More than one set of proceedings, or anyone's intention to begin more than one set of proceedings, that may lead to a CCJ or other judgement debt?	YES <input type="checkbox"/>	NO <input type="checkbox"/>
<b>c</b>	Anybody's intention to claim more than £1,000 of CCJs or judgement debts in total from the <i>candidate</i> ?	YES <input type="checkbox"/>	NO <input type="checkbox"/>
<b>5.02.4</b>	Does the <i>candidate</i> have any <b>current</b> judgment debts (including CCJs) made under a court order still outstanding, whether in full or in part?	YES <input type="checkbox"/>	NO <input type="checkbox"/>
<b>5.02.5</b>	Has the <i>candidate</i> <b>ever</b> failed to satisfy any such judgment debts (including CCJs) made under a court order still outstanding, whether in full or part, within one year of the order being made?	YES <input type="checkbox"/>	NO <input type="checkbox"/>



I have supplied further information related to this page in Section 6 YES  NO

<b>5.02.6</b>	Has the <i>candidate</i> ever:	
<b>a</b>	Filed for the <i>candidate's</i> own bankruptcy or had a bankruptcy petition served on the <i>candidate</i> ?	YES <input type="checkbox"/> NO <input type="checkbox"/>
<b>b</b>	Been adjudged bankrupt?	YES <input type="checkbox"/> NO <input type="checkbox"/>
<b>c</b>	Been the subject of a bankruptcy restrictions order (including an interim bankruptcy restrictions order) or offered a bankruptcy restrictions undertaking?	YES <input type="checkbox"/> NO <input type="checkbox"/>
<b>d</b>	Made any arrangements with the <i>candidate's</i> creditors, for example a deed of arrangement or an individual voluntary arrangement (or in Scotland a trust deed)?	YES <input type="checkbox"/> NO <input type="checkbox"/>
<b>e</b>	Had assets sequestrated?	YES <input type="checkbox"/> NO <input type="checkbox"/>
<b>f</b>	Been involved in any proceedings relating to the above matters even if such proceedings did not result in the making of any kind of order against the <i>candidate</i> or result in any kind of agreement with the <i>candidate</i> ?	YES <input type="checkbox"/> NO <input type="checkbox"/>
<b>5.02.7</b>	Does the <i>candidate</i> , or any undertaking under their management, have any outstanding financial obligations arising from <i>regulated activities</i> , which have been carried out in the past? (whether or not in the UK or overseas)?	YES <input type="checkbox"/> NO <input type="checkbox"/>
<b>5.02.8</b>	Has the <i>candidate</i> ever been adjudged by a court or tribunal (whether criminal, civil or administrative) for any fraud, misfeasance, negligence, wrongful trading or other misconduct?	YES <input type="checkbox"/> NO <input type="checkbox"/>
<b>5.02.9</b>	Is the <i>candidate</i> currently:	
<b>a</b>	Party to any civil proceedings? (including those covered in 5.02.7 above)	YES <input type="checkbox"/> NO <input type="checkbox"/>
<b>b</b>	Aware of anybody's intention to begin civil proceedings against the <i>candidate</i> ? (You should include any ongoing disputes whether or not such dispute is likely to result in any order against the <i>candidate</i> .)	YES <input type="checkbox"/> NO <input type="checkbox"/>
<b>5.02.10</b>	Has any firm at which the <i>candidate</i> holds or has held a position of influence ever been:	
<b>a</b>	Adjudged by a court civilly liable for any fraud, misfeasance, wrongful trading or other misconduct?	YES <input type="checkbox"/> NO <input type="checkbox"/>
<b>b</b>	The subject of a judgement debt or award against the <i>firm</i> ? (You should include all CCJs made against the firm, whether satisfied or not.)	YES <input type="checkbox"/> NO <input type="checkbox"/>
<b>c</b>	Party to any other civil proceedings which resulted in an order against the firm other than in relation to matters covered in 5.02.10a and 5.02.10b above?	YES <input type="checkbox"/> NO <input type="checkbox"/>



I have supplied further information related to this page in Section 6

YES  NO

**5.02.11**

Is any *firm* at which the *candidate* currently holds or has held, within the last 12 months from the date of the submission of this form, a position of influence currently:

**a**

a party to civil proceedings?

YES  NO

**b**

aware of anyone's intention to begin civil proceedings against them?

YES  NO

**5.02.12**

Has any company, partnership or unincorporated association of which the *candidate* is or has been a controller, director, senior manager, partner or company secretary, in the United Kingdom or elsewhere, at any time during their involvement, or within one year of such an involvement, been put into liquidation, wound up, ceased trading, had a receiver or administrator appointed or entered into any voluntary arrangement with its creditors?

YES  NO



I have supplied further information related to this page in Section 6

YES  NO

**5.03 Business and Employment Matters**

**5.03.1** Has the *candidate* ever been:

- a** Disqualified from acting as a director or similar position (one where the candidate acts in a management capacity or conducts the affairs of any company, partnership or unincorporated association)? YES  NO
- b** The subject of any proceedings of a disciplinary nature (whether or not the proceedings resulted in any finding against the *candidate*)? YES  NO
- c** The subject of any investigation which has led or might lead to disciplinary proceedings? YES  NO
- d** Notified of any potential proceedings of a disciplinary nature against the *candidate*? YES  NO
- e** The subject of an investigation into allegations of misconduct or malpractice in connection with any business activity? (This question covers internal investigation by an authorised firm, as well as investigation by a regulatory body, at any time.) YES  NO

**5.03.2** Has the *candidate* ever been refused entry to, or been dismissed, suspended or requested to resign from, any professional, vocation, office or employment, or from any fiduciary office or position of trust whether or not remunerated? YES  NO

**5.03.3** Does the *candidate* have any material written complaints made against the *candidate* by the *candidate*'s clients or former clients in the last five years which the *candidate* has accepted, or which are awaiting determination, or have been upheld – by an ombudsman or complaints scheme? YES  NO



I have supplied further information related to this page in Section 6 YES  NO

**5.04 Regulatory Matters**

**5.04.1**

In relation to activities regulated by the FCA and/or PRA or any other regulatory body (see section 5 guidance notes), has:

- The *candidate*, or
- Any company, partnership or unincorporated associate of which the candidate is or has been a controller, director, senior manager, partner or company secretary, during the *candidate's* association with the entity and for a period of three years after the *candidate* ceased to be associated with it, ever –

<b>a</b>	Been refused, had revoked, restricted, been suspended from or terminated, any licence, authorisations, registration, notification, membership or any other permission granted by any such body?	YES <input type="checkbox"/> NO <input type="checkbox"/>
<b>b</b>	Been criticised, censured, disciplined, suspended, expelled, fined or been the subject of any other disciplinary or interventional action by any such body?	YES <input type="checkbox"/> NO <input type="checkbox"/>
<b>c</b>	Received a warning (whether public or private) that such disciplinary or interventional action may be taken against the <i>candidate</i> or the <i>firm</i> ?	YES <input type="checkbox"/> NO <input type="checkbox"/>
<b>d</b>	Been the subject of an investigation by any regulatory body, whether or not such an investigation resulted in a finding against the <i>candidate</i> or the <i>firm</i> ?	YES <input type="checkbox"/> NO <input type="checkbox"/>
<b>e</b>	Been required or requested to produce documents or any other information to any regulatory body in connection with such an investigation (whether against the <i>firm</i> or otherwise)?	YES <input type="checkbox"/> NO <input type="checkbox"/>
<b>f</b>	Been investigated or been involved in an investigation by an inspector appointed under companies or any other legislation, or required to produce documents to the Secretary of State, or any other authority, under any such legislation?	YES <input type="checkbox"/> NO <input type="checkbox"/>
<b>g</b>	Ceased operating or resigned whilst under investigation by any such body or been required to cease operating or resign by any regulatory body?	YES <input type="checkbox"/> NO <input type="checkbox"/>
<b>h</b>	Decided, after making an application for any licence, authorisation, registration, notification, membership or any permission granted by any such body, not to proceed with it?	YES <input type="checkbox"/> NO <input type="checkbox"/>
<b>i</b>	Been the subject of any civil action related to any regulated activity which has resulted in a finding by a court?	YES <input type="checkbox"/> NO <input type="checkbox"/>
<b>j</b>	Provided payment services or distributed or redeemed e-money on behalf of a regulated firm or itself under any contractual agreement where that agreement was terminated by the regulated <i>firm</i> ?	YES <input type="checkbox"/> NO <input type="checkbox"/>
<b>k</b>	Been convicted of any criminal offence, censured, disciplined or publicly criticised by any inquiry, by the Takeover Panel or any governmental or statutory authority or any other regulatory body (other than as indicated in this group of questions).	YES <input type="checkbox"/> NO <input type="checkbox"/>



I have supplied further information related to this page in Section 6

YES  NO

**5.04.2**

In relation to activities regulated by the FCA/PRA or any other regulatory body, has the *candidate* or any *firm* at which the *candidate* holds or has held a position of influence at any time during and within one year of the *candidate's* association with the *firm* ever:

- a**      Been found to have carried on activities for which authorisation or registration by the FCA/PRA or any other regulatory body is required without the requisite authorisations?      YES       NO
- b**      Been investigated for the possible carrying on of activities requiring authorisation or registration by the FCA/PRA or any other regulatory body without the requisite authorisation whether or not such investigation resulted in a finding against the *candidate*?      YES       NO
- c**      Been found to have performed a senior management function or other controlled function (or an equivalent function requiring approval by the FCA/PRA or any other regulatory body) without the requisite approval?      YES       NO
- d**      Been investigated for the possible performance of a senior management function or other controlled function (or an equivalent function requiring approval by the FCA/PRA or any other regulatory body) without the requisite approval, whether or not such investigation resulted in a finding against the *candidate*?      YES       NO
- e**      Been found to have failed to comply with an obligation under the Electronic Money Regulations 2011 or Payment Services Regulations 2009 to notify the FCA/PRA of the identity of a person acting in a position of influence over its electronic money or payment services business?      YES       NO
- f**      Been the subject of disqualification direction under section 59 of the Financial Services Act 1986 or a prohibition order under section 56 FSMA, or received a warning notice proposing that such a direction or order be made, or received a private warning?      YES       NO



I have supplied further information related to this page in Section 6

YES       NO



**5.05 Other Matters**

**5.05.1** Is the *candidate*, in the role to which the application relates, aware of any business interests, employment obligations, or any other circumstance which may conflict with the performance of the senior management functions for which approval is now being sought

YES  NO

**5.05.2** Are the *candidate* or the *firm* aware of any other information relevant to this notification that we might reasonably expect from the *candidate*?

YES  NO

**5.05.3** Has the *firm* undertaken a criminal records check in accordance with the requirements of the *FCA* or *PRA*?

Please note that a *firm* is required to *obtain* the fullest information that it is lawfully able to obtain about the *candidate* under Part V of the Police Act 1997 (Certificates of Criminal records, etc) and related subordinated legislation of the *UK* or any part of the *UK* before making the application. (SUP 10C.10.16R and Senior Managers Regime - Applications and Notifications in the *PRA* Rulebook)

YES  NO

If yes, please enter date the check was undertaken

Date (dd/mm/yy):

*Note: if date is more than 3 months prior to current date or 3 months prior to date of application submission or the check has not been undertaken, please provide details why in section 6.*

**5.05.4** Has / Have a reference or references been obtained from previous employer(s) in accordance with the requirements of the *FCA* or *PRA*?

If No, please provide details why the reference or references has/have not been obtained.

YES  NO



I have supplied further information related to this page in Section 6

YES  NO

6.00

- If there is any other information the *candidate* or the *firm* considers to be relevant to the application, it must be included here.
- Please provide full details of
  - why the candidate is competent and capable to carry out the senior management function(s) applied for.
  - why the appointment complements the firm's business strategy, activity and market in which it operates.
  - how the appointment was agreed including details of any discussions at governing body level (where applicable).
- Provide a copy of the *candidate's*:
  - *Statement of Responsibilities* with this form
  - Roles description
  - Curriculum Vitae (C.V)
  - Organisational chart
- Provide a copy of the firm's *management responsibilities map* (SYSC 4.6)
- Please also include here any additional information indicated in previous sections of the Form.
- **Please include a list of all directorships currently or previously held by the *candidate* in the past 10 years (where *director* has the meaning given in the *Glossary*.)**
- If there is insufficient space, please continue on a separate sheet of paper and clearly identify the section and question to which the additional information relates.
- **Full details must be provided here if there were any issues that could affect the Fitness and Propriety of the individual that arose when leaving an employer listed in section 4 or if any question has been answered 'yes' in section 5.**

Question	Information

**Declaration of *Candidate***

Knowingly or recklessly giving the *FCA* information which is false or misleading in a material particular may be a criminal offence (section 398 of the Financial Services and Markets Act 2000).

It should not be assumed that information is known to the *FCA* merely because it is in the public domain or has previously been disclosed to the *FCA* or another regulatory body. If there is any doubt about the relevance of information, it should be included.

For the purposes of complying with the Data Protection Act 1998, the personal information provided in this Form will be used by the *FCA* to discharge its statutory functions under the Financial Services and Markets Act 2000 and other relevant legislation, and will not be disclosed for any other purpose without the permission of the applicant.

With reference to the above, the *FCA* may seek to verify the information given in this Form including answers pertaining to fitness and propriety. This may include a credit reference check.

In signing the form below:

**a) I authorise the *FCA* to make such enquiries and seek such further information as it thinks appropriate in the course of verifying the information given in this Form. Individual candidates may be required to apply to the Disclosure and Barring Service for a search to be made as to whether any criminal records are held in relation to them and to disclose the result of that search to us. I also understand that the results of these checks may be disclosed to the firm submitting this application.**

**b) I confirm that the information in this Form is accurate and complete to the best of my knowledge and belief and that I have read the notes to this Form.** I confirm that the attached Statement of Responsibilities accurately reflects the aspects of the affairs of the firm which it is intended that I will be responsible for managing. I confirm that I have accepted all the responsibilities set out in this Statement of Responsibilities.

**c) I confirm that I understand the regulatory responsibilities of my proposed role as set out in COCON**

7.01 *Candidate's* full name

7.02 Signature

Date

**Declaration of Firm**

Knowingly or recklessly giving the *FCA* information which is false or misleading in a material particular may be a criminal offence (sections 398 and 400 of the Financial Services and Markets Act 2000). *SUP* 15.6.1R and *SUP* 15.6.4R require an *authorised person* to take reasonable steps to ensure the accuracy and completeness of information given to the *FCA* and to notify the *FCA* immediately if materially inaccurate information has been provided.

Where an *approved person* is responsible for reporting matters to the *FCA*, failure to inform the *FCA* of materially significant information of which he is aware is a breach of *COCON*. Contravention of these requirements may lead to disciplinary sanctions or other enforcement action by the *FCA*. It should not be assumed that information is known to the *FCA* merely because it is in the public domain or has previously been disclosed to the *FCA* or another regulatory body. If there is any doubt about the relevance of information, it should be included.

**In making this application the firm believes that on the basis of due and diligent enquiry the candidate is a fit and proper person to perform the controlled function(s) listed in section 3. FOR FIRMS UNDERTAKING ANY NON MIFID BUSINESS PLEASE ALSO COMPLETE THE FOLLOWING**

**The firm also believes, on the basis of due and diligent enquiry, that the candidate is competent to fulfil the duties required in the performance of such function(s).**

YES  NO

With reference to the above, the *FCA* may seek to verify the information given in this Form including answers pertaining to fitness and propriety. This may include a credit reference check.

**In signing this form on behalf of the firm:**

**a) I confirm that the information in this Form is accurate and complete to the best of my knowledge and belief and that I have read the notes to this Form.**

**b) I confirm that I have authority to make this application, and sign this Form, on behalf of each firm identified in section 3.05. I also confirm that a copy of this Form, as submitted to the FCA, will be sent to each of those firms at the same time as submitting the Form to the FCA.**

**c) I confirm the candidate has been made aware of the regulatory responsibilities of proposed role as set out in COCON.**

**7.03** Name of the *firm* submitting the application

**7.04** Name of *person* signing on behalf of the *firm*

**7.05** Job title

**7.06** Signature

Date

Amend the Forms in this Annex as shown.

**10C Form E: Internal transfer of an approved person (for firms and individuals Annex 3D subject to the senior management regime)**

Amend Form E as shown, underlining indicates new text and striking through indicates deleted text.

...

The *FCA* and *PRA* have produced notes which will assist both the applicant and the candidate in answering the questions in this form. Please read these notes, which are available on the *FCA* and *PRA*'s websites at <http://fshandbook.info/FS/html/FCA/SUP/10A/C/Annex3D8>

...

*FCA Handbook* Reference: SUP 10C Annex 34D

...

Financial Conduct Authority  
25 The North Colonnade  
Canary Wharf  
London E14 5HS  
United Kingdom  
Telephone +44 (0) ~~845 606 9966~~ 300 500 0597  
~~Facsimile +44 (0) 207066 0017~~  
E-mail [iva@fca.org.uk](mailto:iva@fca.org.uk)  
Website <http://www.fca.org.uk>  
Registered as a Limited Company in England and Wales No 1920623. Registered Office as above

Prudential Regulation Authority  
20 Moorgate  
London  
EC2R 6DA  
United Kingdom  
Telephone +44 (0) 203 461 7000  
Email ~~PRA.firmenquiries\_~~  
ApprovedPersons@bankofengland.co.uk  
Website [www.bankofengland.co.uk/PRA](http://www.bankofengland.co.uk/PRA)  
Registered as a Limited Company in England and Wales No 07854923. Registered Office: 8 Lothbury Road, London, EC2R 7HH

...

**4.02**

...

Function	Description of a Senior <u>management</u> function	Tick applicable) (if applicable)	Effective Date
...	...		
SMF20	<del>Overseas Branch Senior Manager</del>		
...	...		
SMF22	<u>Other local responsibility function</u>		

...

**5.00**

...

- Provide a copy of the candidate's:-
  - ~~s~~Statement of responsibilities with this form

- Roles description
- Curriculum Vitae (C.V)
- Organisational chart
- Provide a copy of the firm's *management responsibilities map* (SYSC 4.5.1 to SYSC 4.6.8 and SUP 10C.9.10G, where applicable, and Allocation of Responsibilities in the *PRA Rulebook* )
- A firm UK and Third Country Relevant Authorised Persons should include a summary of any handover certificate and a reasonable summary of any other handover material (as referred to in SYSC 4.9.4R to SYSC 4.9.8G and SUP10C.10.13G and Senior Management Functions Chapter 2 in the *PRA Rulebook*.)

...

## Declaration of *Candidate*

Knowingly or recklessly giving the *FCA* and/or *PRA* information which is false or misleading in a material particular may be a criminal offence (section 398 of the Financial Services and Markets Act 2000). It should not be assumed that information is known to the *FCA* and/or *PRA* merely because it is in the public domain or has previously been disclosed to the *FCA* and/or *PRA* or another regulatory body. If there is any doubt about the relevance of information, it should be included.

In addition to other regulatory responsibilities, firms, senior managers and other approved persons have a responsibility to disclose to the *FCA* and/or *PRA* matters of which it would reasonably expect to be notified. Failure to notify the *FCA* and/or *PRA* of such information may lead to the *FCA* and/or *PRA* taking disciplinary or other action against the firm and/or individuals.

The *candidate* confirms that the attached Statement of Responsibilities accurately reflects the aspects of the affairs of the firm which it is intended that the *candidate* will be responsible for managing. The *candidate* confirms that they have accepted all the responsibilities set out in this Statement of Responsibilities.

For the purposes of complying with the Data Protection Act 1998, the personal information provided in this Form will be used by the *FCA* and/or *PRA* to discharge ~~its~~ their statutory functions under the Financial Services and Markets Act 2000 and other relevant legislation, and will not be disclosed for any other purpose without the permission of the applicant.

With reference to the above, the *FCA* and/or *PRA* may seek to verify the information given in this Form including answers pertaining to fitness and propriety. This may include a credit reference check. In signing the form below:

**a) I authorise the *FCA* and/or *PRA* to make such enquiries and seek such further information as it thinks appropriate in the course of verifying the information given in this Form. *Candidates* may be required to apply for a criminal records search to be made as to whether any criminal records are held in relation to them and to obtain a certificate (where such certificate can be obtained) and to disclose the result of that search to the *firm* submitting this application.**

**b) I confirm that the information in this Form is accurate and complete to the best of my knowledge and belief and that I have read the notes to this Form.**

**c) I confirm that I understand the regulatory responsibilities of my proposed role as set out in the rules of conduct in the *FCA*'s Conduct Rules (CO-CON) and/or *PRA* Conduct Rules (as applicable).**

**d) I confirm that the attached Statement of Responsibilities accurately reflects the aspects of the affairs of the firm which it is intended that the I will be responsible for managing. I confirm that I have accepted all the responsibilities set out in this Statement of Responsibilities.**

I confirm that the Statement of Responsibility submitted with this form accurately reflects the aspects of the affairs of the Firm which it is intended that I will be responsible for managing.

~~I confirm that the Statement of Responsibility submitted with this form accurately reflects the aspects of the affairs of the Firm which it is intended that I will be responsible for managing.~~

~~[Hyperlinks to CO-CON/PRA conduct rules to follow]~~

Tick here to confirm you have read and understood this declaration:

**6.01 *Candidate's* full name†**

**6.02 Signature**

Date

~~Tick here to confirm you have read and understood this declaration:~~

~~6.01 Candidate's full name~~

~~6.02 Signature~~

~~Date~~

**Declaration of Firm**

Knowingly or recklessly giving the *FCA* and/or *PRA* information which is false or misleading in a material particular may be a criminal offence (sections 398 and 400 of the Financial Services and Markets Act 2000). *SUP* 15.6.1R and *SUP* 15.6.4R of the *FCA* Handbook and Notification 6 of the *PRA* Rulebook require an *authorised person* to take reasonable steps to ensure the accuracy and completeness of information given to the *FCA* and/or *PRA* and to notify the *FCA* and/or *PRA* immediately if materially inaccurate information has been provided.

In addition to other regulatory responsibilities, firms, senior managers and other approved persons have a responsibility to disclose to the *FCA* and/or *PRA* matters of which it would reasonably expect to be notified. Failure to notify the *FCA* and/or *PRA* of such information may lead to the *FCA* and/or *PRA* taking disciplinary or other action against the firm and/or individuals.

It should not be assumed that information is known to the *FCA* and/or *PRA* merely because it is in the public domain or has previously been disclosed to the *FCA* and/or *PRA* or another regulatory body. If there is any doubt about the relevance of information, it should be included.

In making this application the *firm* believes on the basis of due and diligent enquiry and by reference to the criteria in FIT that the candidate is a fit and proper person to perform the controlled function(s) listed in section 3. The firm also believes, on the basis of due and diligent enquiry, that the candidate is competent to fulfil the duties required in the performance of such function(s).

**IF UNDERTAKING ANY NON MiFID BUSINESS FOR WHICH THE FIRM HAS NOT PREVIOUSLY APPLIED FOR AUTHORISATION, PLEASE ALSO COMPLETE THE FOLLOWING**

**The firm also believes, on the basis of due and diligent enquiry, that the candidate is competent to fulfil the duties required of such function(s). YES NO**

If the *firm* confirms that it has had sight of a criminal records certificate prepared within the past 3 months in relation to the Individual and has given due consideration to the information contained in that certificate in determining that Individual to be fit and proper. Alternatively, where a certificate is not obtained the firm has provided an explanation in section 5.

In signing this form on behalf of the firm:

**a) I confirm that the information in this Form is accurate and complete to the best of my knowledge and belief and that I have read the notes to this Form.**

**b) I confirm that I have authority to make this application and provide the declarations given by the firm, and sign this Form, on behalf of the firm identified in section 2.01 and/or each firm identified in section 3.04. I also confirm that a copy of this Form, as submitted to the FCA and/or PRA, will be sent to each of those firms at the same time as submitting the Form to the FCA and/or PRA.**

c) I confirm the candidate has been made aware of the regulatory responsibilities of the proposed role as set out in the rules of conduct in the *FCA's* Conduct Rules (*CO-CON*) and/or *PRA* Conduct Rules (as applicable).

d) I confirm that that the Statement of Responsibility submitted with this form accurately reflects the aspects of the affairs of the Firm which it is intended that the candidate will be responsible for managing

~~[[hyperlink to FCA C-CON and PRA Conduct Rules to follow](#)]~~

6.03 Name of the *firm* submitting the application†

6.04 Name of *person* signing on behalf of the *firm* †

6.05 Job title †

6.06 Signature

Date †

~~6.03 Name of the *firm* submitting the application†~~

~~6.04 Name of *person* signing on behalf of the *firm*†~~

~~6.05 Job title†~~

~~6.06 Signature~~

~~Date†~~

The following new forms are inserted into this Annex. The text is new and is not underlined.

## 10C Statement of responsibilities

### Annex 5D

EEA RAP Statement of Responsibilities form





Application number or IRN  
(for FCA use only)

# Senior Management Regime: Statement of Responsibilities (EEA Relevant Authorised Persons only)

This form applies to EEA relevant authorised persons. It does not apply to UK relevant authorised persons, third country relevant authorised persons, or appointed representatives of any relevant authorised person.

A statement provided under section 60(2A) of the *Act* (Applications for approval), including a statement revised under section 62A of the *Act* (Changes in responsibilities of senior managers).

For candidates for approval, this form **must** be submitted as an attachment to a Form A: application or a Form E application

For significant changes to an existing *statement of responsibilities*, this form **must** be submitted as an attachment to a Form J notification or a Form I application or variation.

*FCA Handbook* Reference: SUP 10C.10, SYSC 4.6

[Date TBC]

Name of *individual*  
(to be completed by *firm*)

Name of *firm*  
(as entered in 2.01)

Financial Conduct Authority  
25 The North Colonnade  
Canary Wharf  
London E14 5HS  
United Kingdom  
Telephone +44 (0) 300 500 0597  
E-mail [iva@fca.org.uk](mailto:iva@fca.org.uk)  
Website <http://www.fca.org.uk>

**Personal identifications details****Section 1**

1.01 Individual Reference Number (IRN)

1.02 Title  
(e.g. Mr, Mrs, Ms, etc)

1.03 Surname

1.04 ALL forenames

1.05 Date of birth

1.06 National Insurance number

**Firm identification details****Section 2**

2.01 Name of *firm*

2.02 *Firm* Reference Number (FRN)

2.03 a Who should the *FCA* contact at the *firm* in relation to this *statement of responsibilities*?

b Position

c Telephone

d Fax

e E-mail



I have supplied further information related to this page in Section 4 YES  NO

A *statement of responsibilities* should be drafted to clearly show the responsibilities that the *candidate* or senior manager is to perform as part of their *controlled function* and how they fit in with the *firm's* overall governance and management arrangements. A *statement of responsibilities* should also be consistent with the *firm's management responsibilities map*.

A *statement of responsibilities* should be drafted in such a way as to be practical and useable by regulators. The *FCA* considers that this would be achieved by succinct, clear descriptions of each responsibility which avoid unnecessary detail. Firms have the opportunity to provide details of each responsibility allocated to an individual using the free text boxes in this form, however, the *FCA* would not usually expect the description of each responsibility to exceed 300 words.

A *statement of responsibilities* must be a self-contained document. There should be one statement per senior manager per firm. Where an individual performs a senior management function on behalf of more than one firm within a group, one *statement of responsibilities* is required for each firm. Any supplementary information may be provided in section 4 (or if submitting electronically, in a **single** attachment). A statement of responsibilities must not cross refer to or include other documents, attachments or links.

If the appropriate regulator considers that the *statement of responsibilities* is not sufficiently clear to be practical and usable, it could be challenged as part of a candidate's application for approval, or in ongoing supervision.

Details of the individual's responsibilities should be set out in section 3.2:

- Section 3.2 covers anything for which a candidate or senior manager is to be responsible as part of their *FCA* senior management function(s) role.

### 3.1 Effective date and relevant Senior Management Functions

3.1.1 Please state the effective date of this *statement of responsibilities*:

Please note that where this is a revised *statement of responsibilities*, i.e. since the granting of the application, there has been a significant change in the aspects of the firm's affairs which the individual is responsible for managing in performing the function (for example a change in allocation of responsibilities within the firm, or the senior manager is applying for a new or additional senior management function), then this *statement of responsibilities* supersedes any previous versions.

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.

SMF	Description	Tick SMF applied for or held	Effective Date
SMF17	Money Laundering Reporting		
SMF21	EEA Branch Senior Manager		

This *statement of responsibilities* is considered to automatically include the existing legal and regulatory obligations where they exist for these roles and functions. Such responsibilities do not need to be recorded in this statement, but any additional responsibilities should be recorded in the sections below.

## **3.2 Responsibilities**

- 3.4.1 Please set out below anything for which a candidate or senior manager is to be responsible as part of their *FCA* controlled function(s) role.

Where responsibilities are shared (for example, a responsibility may be shared as part of a job share or where departing and incoming senior managers work together temporarily as part of a handover), please provide details of any sharing arrangements including, if known, the name(s), IRN(s) and/or job title(s) of the individual(s) you are sharing this responsibility with. The responsibility should be recorded in the same way in the statements of responsibilities for each individual.

Please provide a title for this responsibility	Please provide further details of this responsibility	Is this responsibility shared? If 'Yes' please provide ,the name(s), IRN(s) and/or job title(s) of the individual(s) you are sharing this responsibility with (where known)
		Yes / No
		Yes / No
		Yes / No



I have supplied further information related to this page in Section 4

YES

NO

4.1 Is there any other information the *individual* or the *firm* considers to be relevant?

YES  NO

If yes, please provide details below or on a separate sheet of paper and clearly identify the section and question to which the additional information relates.

Question	Information

4.2 How many additional sheets are being submitted?

Third Country RAPs Statement of Responsibilities form

Application number or IRN  
(for FCA/PRA use only)

# Senior Management Regime: Statement of Responsibilities (Third Country Relevant Authorised Persons only)

This form applies to third country relevant authorised persons. It does not apply to UK relevant authorised persons, EEA relevant authorised persons, or appointed representatives of any relevant authorised person,

A statement provided under section 60(2A) of the *Act* (Applications for approval), including a statement revised under section 62A of the *Act* (Changes in responsibilities of senior managers).

For candidates for approval, this form **must** be submitted as an attachment to a Form A: application or a Form E application.

For significant changes to an existing *statement of responsibilities*, this form **must** be submitted as an attachment to a Form J notification or a Form I application or variation.

*FCA Handbook* Reference: SUP 10C, SYSC 4.6, SYSC 4.8

*PRA Rulebook* Reference: Senior Managers Regime - Applications and Notifications

[Date TBC]

Name of *individual*  
(to be completed by *firm*)

Name of *firm*  
(as entered in 2.01)

Financial Conduct Authority  
25 The North Colonnade  
Canary Wharf  
London E14 5HS  
United Kingdom  
Telephone +44 (0) 300 500 0597  
E-mail [iva@fca.org.uk](mailto:iva@fca.org.uk)  
Website <http://www.fca.org.uk>

Prudential Regulation Authority  
20 Moorgate  
London  
EC2R 6DA  
United Kingdom  
Telephone +44 (0) 203 461 7000  
Email [PRA-ApprovedPersons@bankofengland.co.uk](mailto:PRA-ApprovedPersons@bankofengland.co.uk)  
Website [www.bankofengland.co.uk/PRA](http://www.bankofengland.co.uk/PRA)

**Personal identification details****Section 1**

1.01 Individual Reference Number (IRN)

1.02 Title  
(e.g. Mr, Mrs, Ms, etc)

1.03 Surname

1.04 ALL forenames

1.05 Date of birth

1.06 National Insurance number

**Firm identification details****Section 2**

2.01 Name of *firm*

2.02 *Firm* Reference Number (FRN)

2.03 a Who should the *FCA/PRA* contact at the *firm* in relation to this *statement of responsibilities*?

b Position

c Telephone

d Fax

e E-mail



I have supplied further information related to this page in Section 4

YES

NO



A *statement of responsibilities* should be drafted to clearly show the responsibilities that the *candidate* or senior manager is to perform as part of their *controlled function* and how they fit in with the *firm's* overall governance and management arrangements. A *statement of responsibilities* should also be consistent with the *firm's management responsibilities map*.

A *statement of responsibilities* should be drafted in such a way as to be practical and useable by regulators. The FCA and the PRA consider that this would be achieved by succinct, clear descriptions of each responsibility which avoid unnecessary detail. Firms have the opportunity to provide details of each responsibility allocated to an individual using the free text boxes in this form, however, the PRA and FCA would not usually expect the description of each responsibility to exceed 300 words.

A *statement of responsibilities* must be a self-contained document. There should be one statement per senior manager per firm. Where an individual performs a senior management function on behalf of more than one firm within a group, one *statement of responsibilities* is required for each firm. Any supplementary information may be provided in section 4 (or if submitting electronically, in a **single** attachment). A statement of responsibilities must not cross refer to or include other documents, attachments or links.

A *statement of responsibilities* should include responsibilities held in relation to FCA controlled functions that are included in a *PRA controlled function* under SUP 10C.9 (Minimising overlap with the *PRA* approved persons regime). (SUP 10C.11)

If the appropriate regulator considers that the *statement of responsibilities* is not sufficiently clear to be practical and usable, it could be challenged as part of a candidate's application for approval, or in ongoing supervision.

Details of the individual's responsibilities should be set out in sections 3.2 to 3.4, as appropriate:

- Section 3.2 covers those responsibilities required by regulators to be allocated to one or more senior managers.
- Section 3.3 covers having local responsibility for each of the business areas, activities, management functions and risks of the firm.
- Section 3.4 covers anything else, not otherwise included, for which a candidate or senior manager is to be responsible as part of their *FCA* and/or *PRA* senior management function(s) role.

### 3.1 Effective date and relevant Senior Management Functions

3.1.1 Please state the effective date of this *statement of responsibilities*:

Please note that where this is a revised *statement of responsibilities*, i.e. since the granting of the application, there has been a significant change in the aspects of the firm's affairs which the individual is responsible for managing in performing the function (for example, a change in allocation of responsibilities within the firm, or the senior manager is applying for a new or additional senior management function), then this *statement of responsibilities* supersedes any previous versions.

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.

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		

This *statement of responsibilities* is considered to automatically include the existing legal and regulatory obligations where they exist for these roles and functions (for example, the Money Laundering Reporting function). Such responsibilities do not need to be recorded in this statement, but any additional responsibilities should be recorded in the sections below.

3.1.3 Please indicate those FCA functions that are included in a PRA controlled function under SUP 10C.9 (Minimising overlap with the PRA approved persons regime).

SMF	Description	Yes?
SMF3	Executive Director	

### 3.2 Prescribed Responsibilities

This section deals with those responsibilities to be allocated to one or more senior managers. The allocation of responsibilities under a statement of responsibilities should not reduce or alter the scope of any applicable prescribed responsibilities.

If the responsibilities that the candidate or senior manager is to carry out as described in the statement of responsibilities go beyond those set out in this section, those additional responsibilities should not reduce or alter the scope of the prescribed requirements set out in this section. (FCA SUP 10C.11/PRA: Allocation of Responsibilities)

3.2.1 Please indicate below which of the responsibilities listed are/will be allocated to this individual, if any. If the individual has not been allocated a prescribed responsibility, please go to section 3.3.

<b>Ref</b>	<b>Prescribed Responsibility (Applicable to all firms)</b>	<b>Does this prescribed responsibility apply?</b>	<b>Is this prescribed responsibility shared?</b>
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 obligations of the regulatory system about the management responsibilities map	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 regime 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 body of the firm or, where appropriate, of the parent undertaking or holding company of the firm's group	Yes / No	Yes / No
zg	Local responsibility for the branch's policies and procedures for countering the risk that the branch might be used to further financial crime	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 submission of information to the PRA on the firm's liquidity position.	Yes / No	Yes / No
zl	Responsibility for the production and integrity of the branch's financial information and its regulatory reporting in respect of its regulated activities	Yes / No	Yes / No

3.2.2 If necessary, please provide additional information about each prescribed responsibility, including:

- A breakdown of the different components and tasks which the responsibility encompasses; and
- If applicable, details of any sharing arrangements including, if known, the name(s), IRN(s) and/or job title(s) of the individual(s) you are sharing this prescribed responsibility with. The responsibility should be recorded in the same way in the statements of responsibilities for each individual.

Additional information must be relevant, succinct and not dilute or undermine the prescribed responsibility.

Ref	Prescribed Responsibility	Further Relevant Details



I have supplied further information related to this page in Section 4

YES

NO

### 3.3 Local Responsibility

This section deals with having local responsibility for each of the business areas, activities and management functions of the firm.

Local responsibility is explained in SYSC 4.8. In summary, by local responsibility we mean:

- c) for a person who is allocated local responsibility under SYSC 4.8.10R(1), ultimate responsibility (under the *governing body* of the *branch*) for managing or supervising that function and primary and direct responsibility for briefing and reporting about that function to the branch's governing body or equivalent and for putting matters for decision about that function to the branch's governing body or equivalent. SYSC 4.8 states that, in general, the FCA expects that a *person* to whom overall responsibility for a function is allocated under SYSC 4.8.10R(1), will be the most senior employee or officer responsible for managing or supervising that function under the management of the *branch's governing body*.
- d) for a person who is allocated local responsibility under SYSC 4.8.10R(2), a person who is directly involved in the management of the relevant activity, business area or management function. SYSC 4.8 states that, the FCA expects that a *firm* appointing someone to have local responsibility for a function under SYSC 4.8.10R(2) will appoint the most senior employee or officer of the *firm* with responsibility for that activity, business area or management function.

(SYSC 4.8)

- 3.3.1 If the individual has local responsibility for any or part of the activities, business areas or management functions of a branch, please provide details of each in the table below.  
Where responsibilities are shared (for example, a responsibility may be shared as part of a job share or where departing and incoming senior managers work together temporarily as part of a handover), please provide details of any sharing arrangements including, if known, the name(s), IRN(s) and/or job title(s) of the individual(s) you are sharing this responsibility with. The responsibility should be recorded in the same way in the statements of responsibilities for each individual.

If the individual does not have local responsibility for an activity, business area or management function of the branch, please skip this section.

A *firm* may wish to refer to SYSC 4 Annex 1G (replicated in Annex A of this form) to help it make sure it has not failed to allocate local responsibility for a particular activity of the firm. Please note that the FCA does not require firms to organise themselves by the functions in SYSC 4 Annex 1G, and that the Annex is not comprehensive. It is important that a firm does not fail to allocate local responsibility for business areas, activities and management functions, in line with SYSC 4.8.10.

Please provide a title for this local responsibility	Please provide further details of this local responsibility	Is this local responsibility shared? If 'Yes' please provide the name(s), IRN(s) and/or job title(s) of the individual(s) you are sharing this responsibility with (where known)
		Yes / No
		Yes / No
		Yes / No



I have supplied further information related to this page in Section 4

YES

NO

### **3.4 Other Responsibilities**

- 3.4.1 Please set out below anything else, not otherwise included in this statement, for which a candidate or senior manager is to be responsible as part of their *FCA* and/or *PRA* controlled function(s) role. For example, responsibilities outside the normal course of business such as those linked to high profile projects or initiatives.

Where responsibilities are shared (for example, a responsibility may be shared as part of a job share or where departing and incoming senior managers work together temporarily as part of a handover), please provide details of any sharing arrangements including, if known, the name(s), IRN(s) and/or job title(s) of the individual(s) you are sharing this responsibility with. The responsibility should be recorded in the same way in the statements of responsibilities for each individual.

Please provide a title for this other responsibility	Please provide further details of this other responsibility	Is this other responsibility shared? If 'Yes' please provide the name(s), IRN(s) and/or job title(s) of the individual(s) you are sharing this responsibility with (where known)
		Yes / No
		Yes / No
		Yes / No



I have supplied further information related to this page in Section 4

YES

NO



4.1 Is there any other information the *individual* or the *firm* considers to be relevant?

If yes, please provide details below or on a separate sheet of paper and clearly identify the section and question to which the additional information relates.

YES  NO

Question	Information

4.2 How many additional sheets are being submitted?

## ANNEX A

SYSC 4  
Annex 1G

## The main business activities and functions of a relevant authorised person

Business areas and management functions	Explanation
(1) Payment services	This means: (1) <i>payment services</i> ; (2) issuing and administering other means of payment (for example, cheques and bankers' drafts); (3) issuing <i>electronic money</i> ; and (4) current accounts.
(2) Settlement	This means clearing and settlement of any transactions described in rows (3) and (6) to (9) of this annex in relation to the assets covered by (9). It also includes clearing and settlement of any transactions described in row (10).
(3) Investment management	This has the same meaning as <i>managing investments</i> with the following adjustments: (a) it covers all types of assets; and (b) the exclusions in the <i>Regulated Activities Order</i> do not apply. It also covers fund management.
(4) Financial or investment advice	This includes <i>advising on investments</i> .
(5) Mortgage advice	This has the same meaning as <i>advising on regulated mortgage contracts</i> but is expanded to cover land anywhere in the world and to cover security of any kind over land.
(6) Corporate investments	This means acquiring, holding, managing and disposing a <i>firm's</i> investments made for its own account.
(7) Wholesale sales	This means the <i>selling</i> of any <i>investment</i> to a <i>person</i> other than a <i>retail customer</i> . It does not include the activities in (1).
(8) Retail sales	This means the <i>selling</i> of any <i>investment</i> to a <i>retail customer</i> . It includes savings accounts. It does not include the activities in (1).
(9) Trading for clients	This means <i>dealing in investments as agent</i> and <i>execution of orders on behalf of clients</i> but the list of products includes money market instruments and foreign exchange.
(10) Market making	This has the same meaning as it does in <i>MIFID</i> (see the definition of market maker in article 4.1(8)).
(11) <i>Investment research</i>	
(12) Origination/syndication and underwriting	Origination and syndication include: (1) entering into or acquiring (directly or indirectly) any commitment or <i>investment</i> with a view to transferring some or all of it to others, or with a view to others investing in the same transaction; (2) sub-participation; and (3) any transaction described in the <i>Glossary</i> definition of <i>originator</i> . Underwriting includes underwriting that is not on a firm commitment basis. A commitment or <i>investment</i> includes an economic interest in some or all of it. This activity also includes the provision of services relating to such transactions.
(13) Retail lending decisions	Deciding whether, and on what terms, to lend to <i>retail customers</i> .

Business areas and management functions	Explanation
	Lending includes granting credit, leasing and hire (including finance leasing).
(14) Wholesale lending decisions	Deciding whether, and on what terms, to lend to <i>persons</i> who are not <i>retail customers</i> . Lending includes granting credit, leasing and hire (including finance leasing).
(15) Design and manufacturing of products intended for wholesale customers	Wholesale customers mean <i>persons</i> who are not <i>retail customers</i>
(16) Design and manufacture of products intended for <i>retail customers</i>	
(17) Production and distribution of marketing materials and communications	This includes <i>financial promotions</i>
(18) Customer service	This means dealing with <i>clients</i> after the point of sale, including queries and fulfilment of <i>client</i> requests
(19) Customer complaints handling	This includes the <i>firm's</i> compliance with <i>DISP</i> . It also includes: (1) any similar procedures relating to activities that do not come under the jurisdiction of the <i>Financial Ombudsman Service</i> ; (2) activities that take place outside the <i>UK</i> ; and (3) activities that are not subject to any ombudsman service.
(20) Collection and recovering amounts owed to a <i>firm</i> by its customers Dealing with customers in arrears	"Customer" means any <i>person</i> falling into any of the definitions of <i>client</i> in the <i>Glossary</i> so far as they apply to the <i>FCA's Handbook</i> . The definition is extended to cover all services provided by the <i>firm</i> and not just those that are provided in the course of carrying on a <i>regulated activity</i> or an <i>ancillary service</i> .
(21) Middle office	This means risk management and controls in relation to, and accounting for, transactions in <i>securities</i> or <i>derivatives</i>
(22) The <i>firm's</i> information technology	
(23) Business continuity planning	This means the functions described in SYSC 4.1.6R and SYSC 4.1.7R
(24) Human resources	This includes recruitment, training and competence and performance monitoring
(25) Incentive schemes for the <i>firm's</i> staff	This is not limited to schemes based on sales.
(26) <i>Providing information in relation to a specified benchmark</i>	
(27) <i>Administering a specified benchmark</i>	
Note (1): The purpose of this annex is explained in SYSC 4.5 (Management responsibilities maps for relevant authorised persons) and SYSC 4.7.37G.	
Note (2): A <i>firm</i> does not have to use the split of activities in this annex for the purposes in Note (1). If a <i>firm</i> does decide to use it, it may adapt it to suit its management arrangements better. For example, a <i>firm</i> may find the split of activities into <i>retail</i> and wholesale activities unsuitable. If so, the <i>firm</i> might: (a) treat <i>retail</i> and wholesale activities together; or (b) use its own definition of retail and wholesale activities.	

**13A.6 Which rules will an incoming EEA firm be subject to?**

...

- 13A.6.3 G (1) In particular, an *EEA firm* (other than an *EEA pure insurer*) or *Treaty firm* must comply with the *applicable provisions* in ~~SUP 10~~ 10A (Approved persons). An *EEA firm* or *Treaty firm* should also refer to ~~SUP 10.1~~ 10A.1 (Application) which sets out the territorial provisions of the *approved persons* regime.
- (2) An *EEA firm* or *Treaty firm* which is an *EEA relevant authorised person* should also refer to SUP 10C (FCA senior management regime for approved persons in relevant authorised persons).

13A Annex 1G Application of the Handbook to Incoming EEA Firms

...		
<b>(1) Module of the Handbook</b>	<b>(2) Potential application to an incoming EEA firm with respect to activities carried on from an establishment of the firm (or its appointed representative) in the United Kingdom</b>	<b>(3) Potential application to an incoming EEA firm with respect to activities carried on other than from an establishment of the firm (or its appointed representative) in the United Kingdom</b>
...		
<i>COCON</i>	<i>COCON</i> applies to <u>employees of firms which are relevant authorised persons</u> . See <i>COCON</i> 1.1 for <u>detailed rules on the application of COCON</u> .	Does not apply.
<i>APER</i>	<i>APER</i> applies to <u>approved persons other than relevant authorised persons</u> ( <del>APER 1.1.1G</del> <u>1.1A.1G</u> ). See below under SUP 10 as to whether <i>controlled functions</i> are performed, and approval therefore required.	Not relevant because <del>SUP 10</del> <u>10A</u> does not apply.
<i>FIT</i>	<i>FIT</i> applies to a firm wishing to establish a <i>branch</i> in the <i>United Kingdom</i> or to apply for a <i>top-up</i>	Does not apply

	<p><i>permission</i> in respect of any application that it makes for the approval of a <i>person</i> to perform a <i>controlled function</i> (FIT 1.1). See <del>under SUP 10</del> <u>SUP 10A</u> and <u>SUP 10C</u> below as to whether such approval is required.</p> <p>...</p>	
<i>SUP</i>	<p>...</p> <p><b>SUP 10A (Approved persons)</b> Applies, but the applicable <i>controlled functions</i> are limited. See <i>SUP 10A.1</i> (Application) for more detailed <i>guidance</i>.</p> <p><u><i>SUP 10A</i> applies in a limited way in relation to an <i>incoming EEA firm</i> that is a <i>Solvency II firm</i> (see <i>SUP 10A.1.8G</i>).</u></p>	...
	<p><b><u>SUP 10C (FCA senior management regime for approved persons in relevant authorised persons)</u></b></p> <p><u>Applies to <i>EEA incoming firms</i> which are <i>EEA relevant authorised persons</i>, but the applicable <i>controlled functions</i> are limited. See <i>SUP 10C.1</i> (Application) for more detailed <i>guidance</i>.</u></p>	
...		
<b>Notes to Annex 1</b>		
<p>Note 1: The following modules or chapters are relevant to <i>firms</i> in both the <i>PRA Handbook</i> and the <i>FCA Handbook</i>: <i>PRIN</i>, <i>SYSC</i>, <u><i>COCON</i></u>, <i>APER</i>, <i>FIT</i>, <i>GEN</i>, <i>FEES</i>, <i>GENPRU</i>, <i>BIPRU</i>, <i>MIPRU</i>, <i>IPRU(INV)</i>, <i>SUP 2</i> to 6, 8, 11, 13 to 16, 18, Appendix 2 and <i>COMP</i>.</p>		
...		

**15 . Application of SUP 15 to incoming EEA firms and incoming Treaty firms**

**Annex  
1R**

...

Applicable sections		Application
...	...	...
<u>SUP 15.11</u>	<u>Notification of COCON breaches and disciplinary action</u>	<u>Applies in full</u>

## Annex G

### Amendments to the Perimeter Guidance Manual (PERG)

In this Annex, underlining indicates new text.

#### 13.7 The territorial application of MiFID

...

#### Q70. How are the high level standards, like the Principles, affected by MiFID?

...

	<b>Subject matter</b>	<b>References</b>	<b>Summary</b>
...			
4	Approved persons	<i>SUP</i> 10A.1, <u><i>SUP</i> 10C.1</u> , <i>APER</i> 1.1A.4G and <i>APER</i> 2.1A.2P	The territorial scope of some of the controlled functions under the approved persons regime and of the application of the Statements of Principle is modified as a result of MiFID.
...			

**Financial Conduct Authority**



**PUB REF: 005093**

© Financial Conduct Authority 2015  
25 The North Colonnade Canary Wharf  
London E14 5HS  
Telephone: +44 (0)20 7066 1000  
Website: [www.fca.org.uk](http://www.fca.org.uk)  
All rights reserved