

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

**Powers exercised**

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

**Pre-conditions to making**

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

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

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

**Commencement**

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

**Citation**

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

**By order of the Board of the Prudential Regulation Authority**

10 February 2016.

## Annex A

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

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

### Part

# INSURANCE – FITNESS AND PROPRIETY

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## Chapter content

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

## Links

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**3 OBLIGATION TO PROVIDE REFERENCES**REGULATORY REFERENCES

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3.1 If any PRA-*authorised person* (A):

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

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

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## Annex B

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

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

Part

# LARGE NON-SOLVENCY II FIRMS – FITNESS AND PROPRIETY

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## Chapter content

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

Links

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**3 ~~OBLIGATION TO PROVIDE REFERENCES~~ REGULATORY REFERENCES**

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

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

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

(a) \_\_\_\_\_ P's current or former employer; or

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

(3) \_\_\_\_\_ indicates to B the purpose of the request;

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

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## Annex C

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

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

Part

# NON-SOLVENCY II FIRMS - FITNESS AND PROPRIETY

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Chapter content

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

Links

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**3 OBLIGATION TO PROVIDE REFERENCES REGULATORY REFERENCES**

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3.1 If any PRA-authorised person (A):

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

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

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## Annex D

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

Part

## FITNESS AND PROPRIETY

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### Chapter content

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

### Links

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- 5 ~~REGULATORY REFERENCES – not yet in force~~
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#### 5.1 If any PRA-authorised person (A):

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

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

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