

**HANDBOOK ADMINISTRATION INSTRUMENT (NO 1) 2014****Powers exercised by the Board of the Prudential Regulation Authority (PRA)**

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

**Commencement**

- C. This instrument comes into force on 3 March 2014, except for Annex C which comes into force on 26 April 2014.

**Amendments**

- D. The rules in the modules of the PRA’s Handbook listed in column (1) below are amended in accordance with the Annexes to this instrument listed in column (2).
- E. The Prudential Regulation Authority gives as guidance each provision in the Annexes listed in column (2) that is marked with a G.

(1)	(2)
Glossary of definitions	Annex A
Senior Management Arrangements, Systems and Controls sourcebook (SYSC)	Annex B
Prudential sourcebook for Mortgage and Home Finance Firms, and Insurance Intermediaries (MIPRU)	Annex C
Interim Prudential sourcebook for Insurers (IPRU (INS))	Annex D
Supervision manual (SUP)	Annex E
Credit Unions sourcebook (CREDS)	Annex F

**Citation**

- E. This instrument may be cited as the Handbook Administration Instrument (No 1) 2014.

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

28 February 2014

## Annex A

## Amendments to the Glossary of definitions

In this Annex, striking through indicates deleted text.

Amend the following as shown:

- trading day*
- (1) ~~(in *MAR 7* (Disclosure of information on certain trades undertaken outside a regulated market or MTF) and *SUP 17* (Transaction reporting)) in relation to post trade information to be made public about a share under *MAR 7.2.10 EU*, any day of normal trading in a share on a *trading venue* in the *relevant liquid market* for this share.~~  
[Note: article 4(2) of the *MiFID Regulation*]
  - (2) other than in (1) or (3), a day included in the calendar of trading days published by the *appropriate regulator* at [web address tbc]
  - (3) ~~(in *FINMAR*) as defined in article 2(1)(p) of the *short selling regulation*, a trading day as referred to in article 4 of Regulation (EC) No 1287/2006.~~

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## Annex B

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

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

#### 1 Annex 1 Detailed application of SYSC

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Provision SYSC 6	COLUMN A ...	COLUMN A+ ...	COLUMN A++ ...	COLUMN B ...
...				
SYSC 6.3.11G	Guidance <del>[deleted]</del>	Guidance <del>[deleted]</del>	Guidance <del>[deleted]</del>	Guidance <del>[deleted]</del>

**Annex C**

**Amendments to the Prudential sourcebook for Mortgage and Home Finance Firms, and Insurance Intermediaries (MIPRU)**

**Comes into force on 26 April 2014**

- 4.2A.5 R Any arrangements entered into on or after ~~[date to be confirmed]~~ 26 April 2014 which increase the amount of a loan already advanced or change the security to a loan already advanced or change the contractual terms (other than if the *firm* is exercising forbearance) of a loan already advanced will be subject to the credit risk capital requirement under *MIPRU* 4.2A.4R(2)(a) provided that, where the arrangements only increase the amount of a loan already advanced, such requirement shall only apply to the amount of such increase.

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## Annex D

### Amendments to the Interim Prudential sourcebook for Insurers (IPRU (INS))

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

#### Appendix 9.6 (rules 9.34 and 9.35)

...

2 Subject to 3, if the insurer carries on long-term insurance business, the certificate required by rule 9.34(1) must also state that –

(a) ...

...

(d) the directors have, in preparing the return, taken and paid due regard to -

(i) advice from every *actuary* appointed by the *insurer* to perform the *actuarial function* in accordance with SUP 4.3.13R; and

(ii) if applicable,-advice from every *actuary* appointed by the *insurer* to perform the *with-profits actuary function* in accordance with SUP 4.3.16AR of the FCA Handbook and SUP 4.3.16R of the PRA Handbook.

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## Annex E

## Amendments to the Supervision manual (SUP)

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

## 2 Information gathering by the ~~FSA~~ FCA or PRA on its own initiative

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### 13.8 Changes of details: provision of notices to the appropriate UK regulator

- 13.8.1 R (1) Where a firm is required to submit a notice of a change to a branch referred to in ... or a notice of a change to cross border services referred to in ... ~~SUP 13.7.13G~~ 13.7.13BG ... it must complete and submit that notice in accordance with the procedures set out in *SUP* 13.5 for notifying the establishing of a branch or the provision of cross border services.

...

### 13 Annex 1R **Passporting: Notification of intention to establish a branch in another EEA state**

This annex consists of only one or more forms. Forms can be completed online now by visiting:

<http://www.bankofengland.co.uk/pr/Pages/authorisations/passporting/notifying.aspx> for a *PRA-authorised person* or <http://www.fca.org.uk/firms/being-regulated/passporting/notification-forms> for an *FCA-authorised person*.

...

...

- 16.12.33 R Financial reports from a member of a financial conglomerate (see *SUP* 16.12.32R)

Content of Report	Form (Note 1)	Frequency	Due Date
...	...	...	...
Note 2	<p><del>If</del> <u>In respect of FCA-authorised persons</u>, if Part 1 of <i>GENPRU</i> 3 Annex 1R(method 1), or Part 2 of <i>GENPRU</i> 3 Annex 1R (method 2), or Part 3 of <i>GENPRU</i> 3 Annex 1R (method 3) applies, there is no specific form. Adequate information must be provided, specifying the calculation method used and each <i>financial conglomerate</i> for which the <i>appropriate regulator</i> is the <i>co-ordinator</i> must discuss with the <i>appropriate regulator</i> the form which this reporting will take and the</p>		

	extent to which verification by an auditor will be required.
...	

**16 Annex 24R Data items for SUP 16.12**

FIN066 and FIN067 are deleted in their entirety (the text of these forms is not shown).

## Annex F

### Amendments to the Credit Unions Sourcebook (CREDS)

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

- 1.1.1 G (1) The Credit Unions ~~New Sourcebook~~ sourcebook, *CREDS* for short, is the specialist sourcebook for credit unions.

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#### Appendix 1 Key definitions

*CREDS* the Credit Unions ~~New~~ sourcebook.