General Prudential sourcebook

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GENPRU 1 Application [deleted]

GENPRU 2 Capital [deleted]

GENPRU 3 Cross sector groups

3.1 Application
3.2 Third-country groups
3.3 Actions for damages
3 Annex 1 Capital adequacy calculations for financial conglomerates (GENPRU 3.1.29R)
3 Annex 2 Prudential rules for third country groups (GENPRU 3.2.8R to GENPRU 3.2.9R)
3 Annex 3 Guidance Notes for Classification of Groups
3 Annex 4 (see GENPRU 3.1.5R)

Transitional provisions and Schedules

TP 1 Application of GENPRU TP 1 to GENPRU TP 6 and other general provisions for insurers
TP 2 IPRU(INS) waivers
TP 3 Table: IPRU(INS) waivers
TP 4 Capital instruments
TP 5 Calls for supplementary contributions
TP 6 Implicit items waivers
TP 7 [deleted]
TP 8 Miscellaneous capital resources definitions for BIPRU firms [deleted]
TP 8A Further miscellaneous capital resources definitions for BIPRU firms [deleted]
TP 8B Miscellaneous capital resources definitions for BIPRU firms: Core tier one capital [deleted]
TP 9 [deleted]
TP 10 Assets of former underwriting members
TP 11 PRU waivers
TP 12 Table: PRU waivers
TP 13 EEA pure reinsurers
TP 14 [deleted]
TP 16 [deleted]
Sch 1 Record keeping requirements [deleted]
Sch 2 Notification and reporting requirements [deleted]
Sch 3 Fees and other requirement payments [deleted]
Sch 4 Powers exercised
Sch 5 Rights of action for damages
Sch 6 Rules that can be waived

Chapter 1

Application [deleted]

Chapter 2

Capital [deleted]

Chapter 3

Cross sector groups

3

3.1 Application

3.1.1 R (1) Unless otherwise stated, ■ GENPRU 3.1 applies to every *firm* that is a member of a *financial conglomerate* other than:

(a) [deleted]

(b) [deleted]

(c) [deleted]

(d) an *ICVC*;

(e) a *bank*;

(f) a *designated investment firm*; and

(g) an *insurer*.

(1A) ■ GENPRU 3.1 (except ■ GENPRU 3.1.5R to ■ GENPRU 3.1.12G) applies to each of the following *firms* that is a member of a *financial conglomerate*:

(a) a *bank*;

(b) a *designated investment firm*; and

(c) an *insurer* that is a "UK Solvency II firm" as defined in the PRA Rulebook: Glossary.

(2) ■ GENPRU 3.1 does not apply to a *firm* with respect to a *financial conglomerate* of which it is a member if the interest of the *financial conglomerate* in that *firm* is no more than a *participation*.

(3) ■ GENPRU 3.1.25 R (Capital adequacy requirements: high level requirement), and ■ GENPRU 3.1.35 R (Risk concentration and intra group transactions: the main rule) do not apply with respect to a *third-country financial conglomerate*.

Purpose

3.1.2 G ■ GENPRU 3.1 implemented requirements in the *Financial Groups Directive*. However, material on the following topics is to be found elsewhere in the *Handbook* as follows:

(1) further material on *third-country financial conglomerates* can be found in ■ GENPRU 3.2;

(2) ■ SUP 15.9 contains notification *rules* for members of *financial conglomerates*;

(3) material on reporting obligations can be found in ■ SUP 16.12.32 R and ■ SUP 16.12.33 R; and

(4) material on systems and controls in *financial conglomerates* can be found in ■ SYSC 12.

3.1.2A G ■ GENPRU 3.1 has been amended to reflect the introduction of a new prudential regime for *MiFID* investment firms (*MIFIDPRU*). This new regime streamlines and simplifies the prudential requirements for *MIFIDPRU investment firms*. It refocuses prudential requirements and expectations away from the risks a *firm* faces to also consider, and look to mitigate, the potential for harm these *firms* can pose to consumers and markets. If a *financial conglomerate* for which the *FCA* is the *coordinator* considers the amendments to ■ GENPRU 3.1 do not appropriately reflect the risks and potential harms to which its activities give rise, it should contact the *FCA* to discuss how the *rules* could be modified to do so.

Introduction: identifying a financial conglomerate

3.1.3 G (1) In general the process in (2) to (8) applies for identifying *financial conglomerates*.

(2) The relevant *competent authority* that has authorised *regulated entities* should try to identify any *consolidation group* that is a *financial conglomerate*. If a *competent authority* is of the opinion that a *regulated entity* authorised by that *competent authority* is a member of a *consolidation group* which may be a *financial conglomerate* it should communicate its view to the other *competent authority*.

(3) A *competent authority* may start (as described in (2)) the process of deciding whether a group is a *financial conglomerate* even if it would not be the *coordinator*.

(4) A member of a group may also start that process by notifying one of the *competent authorities* that have authorised group members that its group may be a *financial conglomerate*, for example by notification under ■ SUP 15.9.

(5) If a group member gives a notification in accordance with (4), that does not automatically mean that the group should be treated as a *financial conglomerate*. The process described in (6) to (9) still applies.

(6) The *competent authority* that would be *coordinator* will take the lead in establishing whether a group is a *financial conglomerate* once the process has been started as described in (2) and (3).

(7) The process of establishing whether a group is a *financial conglomerate* will normally involve discussions between the *financial conglomerate* and the *competent authorities* concerned.

(8) A *financial conglomerate* should be notified by its *coordinator* that it has been identified as a *financial conglomerate* and of the appointment of the *coordinator*. The notification should be given to the *parent undertaking* at the head of the group or, in the absence of a *parent undertaking*, the *regulated entity* with the largest

balance sheet total in the *most important financial sector*. That notification does not of itself make a group into a *financial conglomerate*; whether or not a group is a *financial conglomerate* is governed by the definition of *financial conglomerate* as set out in ■ GENPRU 3.1.

(9) ■ GENPRU 3 Annex 3 is a questionnaire (together with its explanatory notes) that the *FCA* asks groups that may be *financial conglomerates* to fill out in order to decide whether or not they are.

(10) If a *mixed financial holding company* is subject to equivalent provisions under the *UK prudential sectoral legislation* in relation to the *banking and investment services sector* and under ■ GENPRU 3 (Cross sector groups) and the *FCA* is the *coordinator*, the *FCA* may, on application by a *firm* and after consulting the other *competent authority* responsible for the supervision of subsidiaries, disapply such provisions of the *UK prudential sectoral legislation* in relation to the *banking and investment services sector* with regard to the *mixed financial holding company* and apply only the relevant provisions of ■ GENPRU 3 to the *mixed financial holding company*.

3.1.3A G If a *mixed financial holding company* is subject to equivalent provisions under this Chapter and under *UK prudential sectoral legislation* in relation to the *insurance sector* and the *FCA* is the *coordinator*, the *FCA* may, on application by the *firm*, disapply such provisions of the *UK prudential sectoral legislation* with regard to that undertaking which are considered by the *FCA* as equivalent to those applying to the *firm* under ■ GENPRU 3.1.

[**Note**: article 120(2) of *CRD*]

Introduction: The role of other competent authorities

3.1.4 G A lead supervisor (called the *coordinator*) is appointed for each *financial conglomerate*. The definition of coordinator in the *Financial Groups Directive Regulations* describes the criteria for deciding which *competent authority* is appointed as *coordinator*.

[**Note:** Article 10 and 11 of the *Financial Groups Directive*]

Definition of financial conglomerate: basic definition

3.1.5 R A *financial conglomerate* means a *consolidation group* that is identified as a *financial conglomerate* in accordance with the decision tree in ■ GENPRU 3 Annex 4.

Definition of financial conglomerate: sub-groups

3.1.6 R A *consolidation group* is not prevented from being a *financial conglomerate* because it is part of a wider:

(1) consolidation group; or

(2) financial conglomerate; or

(3) group of persons linked in some other way.

Definition of financial conglomerate: the financial sectors: general

3.1.7 R For the purpose of the definition of *financial conglomerate*, there are two *financial sectors* as follows:

(1) the *banking sector* and the *investment services sector*, taken together; and

(2) the *insurance sector*.

3.1.8 R (1) This *rule* applies for the purpose of the definition of *financial conglomerate* and the *financial conglomerate definition decision tree*.

(1A) [deleted]

(2) Any *mixed financial holding company* is considered to be outside the *overall financial sector* for the purpose of the tests set out in the boxes titled Threshold Test 1, Threshold Test 2 and Threshold Test 3 in the *financial conglomerate definition decision tree*.

(3) Determining whether the tests set out in the boxes titled Threshold Test 2 and Threshold Test 3 in the *financial conglomerate definition decision tree* are passed is based on considering the consolidated and/or aggregated activities of the members of the *consolidation group* within the *insurance sector* and the consolidated and/or aggregated activities of the members of the *consolidation group* within the *banking sector* and the *investment services sector*.

Definition of financial conglomerate: adjustment of the percentages

3.1.9 R Once a *financial conglomerate* has become a *financial conglomerate* and subject to supervision in accordance with this chapter, the figures in the *financial conglomerate definition decision tree* are altered as follows:

(1) the figure of 40% in the box titled Threshold Test 1 is replaced by 35%;

(2) the figure of 10% in the box titled Threshold Test 2 is replaced by 8%; and

(3) the figure of six billion Euro in the box titled Threshold Test 3 is replaced by five billion Euro.

3.1.10 R The alteration in ■ GENPRU 3.1.9 R only applies to a *financial conglomerate* during the period that:

(1) begins when the *financial conglomerate* would otherwise have stopped being a *financial conglomerate* because it does not meet one of the unaltered thresholds referred to in ■ GENPRU 3.1.9 R; and

(2) covers the three years following that date.

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Definition of financial conglomerate: balance sheet totals

3.1.11 R The calculations referred to in the *financial conglomerate definition decision tree* regarding the balance sheet must be made on the basis of the aggregated balance sheet total of the members of the *consolidation group*, according to their annual accounts. For the purposes of this calculation, *undertakings* in which a *participation* is held must be taken into account as regards the amount of their balance sheet total corresponding to the aggregated proportional share held by the *consolidation group*. However, where consolidated accounts are available, they must be used instead of aggregated accounts.

Definition of financial conglomerate: solvency requirement

3.1.12 R The solvency and capital adequacy requirements referred to in the *financial conglomerate definition decision tree* must be calculated in accordance with the provisions of the relevant *sectoral rules*.

Definition of financial conglomerate: discretionary changes to the definition

3.1.13 G Regulation 16 to 20, 21 and 24 of the *financial groups directive regulations* allow *competent authorities*, on a case by case basis, to:

(1) change the definition of *financial conglomerate* and the obligations applying with respect to a *financial conglomerate* (which would include, where the *appropriate regulator* would be the *coordinator* under ■ GENPRU 3.1.3G (6), permitting *firms* to apply, on an annual basis and subject to publication and notification to the *competent authority*, for a group of which it is a member not to be regarded as a *financial conglomerate* on the basis of regulation 16 of the *financial groups directive regulations* (for a group that, in terms of the tests in ■ GENPRU 3 Annex 4, does not meet Threshold Test 2 but meets Threshold Test 3) or regulation 17 of the *financial groups directive regulations* (for a group that, in terms of the tests in ■ GENPRU 3 Annex 4, meets Threshold Test 2 but not Threshold Test 3);

(2) apply the scheme in the *financial groups directive regulations* to *UK regulated entities* in specified kinds of group structures that do not come within the definition of *financial conglomerate*; and

(3) exclude a particular entity in the scope of capital adequacy requirements that apply with respect to a *financial conglomerate*.

Capital adequacy requirements: introduction

3.1.14 G The capital adequacy provisions of ■ GENPRU 3.1 are designed to be applied to *financial conglomerates*.

3.1.15 G ■ GENPRU 3.1.25 R is a high level capital adequacy *rule*. It applies whether or not the *FCA* is the *coordinator* of the *financial conglomerate* concerned.

3.1.16 G ■ GENPRU 3.1.29 R to ■ GENPRU 3.1.31 R and ■ GENPRU 3 Annex 1 apply the detailed capital adequacy requirements that correspond with the *Financial Groups Directive*. They only deal with a *financial conglomerate* for which the

FCA is the *coordinator*. If another *competent authority* is *coordinator* of a *financial conglomerate*, those *rules* do not apply with respect to that *financial conglomerate* and instead that *coordinator* will be responsible for implementing those detailed requirements.

3.1.17 G Annex I of the *Financial Groups Directive* laid down three methods for calculating capital adequacy at the level of a *financial conglomerate*. Those three methods are as follows:

(1) Method 1 calculates capital adequacy using accounting consolidation. It is set out in ■ GENPRU 3.1.29 R to ■ GENPRU 3.1.31 R and Part 1 of ■ GENPRU 3 Annex 1.

(2) Method 2 calculates capital adequacy using a deduction and aggregation approach. It is set out in ■ GENPRU 3.1.29 R to ■ GENPRU 3.1.31 R and Part 2 of ■ GENPRU 3 Annex 1.

(3) [deleted]

(4) Method 3 consists of a combination of Methods 1 and 2 and would be implemented by means of a *requirement*.

3.1.18 G [deleted]

3.1.19 G Paragraph 5.7 of ■ GENPRU 3 Annex 1 (Capital adequacy calculations for financial conglomerates) deals with a case in which there are no capital ties between entities in a *financial conglomerate*. In particular, the *FCA* , after consultation with the other *competent authority* and in accordance with this chapter, will determine which proportional share of a solvency deficit in such an entity will have to be taken into account, bearing in mind the liability to which the existing relationship gives rise.

3.1.20 G (1) [deleted]

(2) [deleted]

3.1.21 G The method to be applied may be decided by the *coordinator* after consultation with the other *competent authority* and the *financial conglomerate* itself. Where the *FCA* acts as *coordinator*, the *financial conglomerate* itself may choose which of Method 1 or Method 2 it will apply, unless the *firm* is subject to a *requirement* obliging the *firm* to apply a particular method.

3.1.22 G [deleted]

3.1.23 G [deleted]

3.1.24 G [deleted]

3

Capital adequacy requirements: high level requirement

3.1.25 R

(1) A *firm* that is a member of a *financial conglomerate* must at all times have capital resources of such an amount and type that results in the capital resources of the *financial conglomerate* taken as a whole being adequate.

(2) This *rule* does not apply with respect to any *financial conglomerate* until notification has been made that it has been identified as a *financial conglomerate* as contemplated by regulation 2 of the *Financial Groups Directive Regulations*.

3.1.26 R [deleted]

3.1.27 R [deleted]

3.1.28 R

(1) [deleted]

(2) [deleted]

Capital adequacy requirements: application of Method 1 or 2

3.1.29 R If, with respect to a *firm* and a *financial conglomerate* of which it is a member, this *rule* applies under ■ GENPRU 3.1.29A R to the *firm* with respect to that *financial conglomerate* as described in ■ GENPRU 3.1.30 R, the *firm* must at all times have capital resources of an amount and type that ensures that the *conglomerate capital resources* of that *financial conglomerate* at all times equal or exceed its *conglomerate capital resources requirement*.

3.1.29A R ■ GENPRU 3.1.29 R applies to a *firm* with respect to the *financial conglomerate* of which it is a member if notification has been made in accordance with regulation 2 of the *Financial Groups Directive Regulations* that the *financial conglomerate* is a *financial conglomerate* and that the *FCA* is *coordinator* of that *financial conglomerate*.

Capital adequacy requirements: use of requirement to apply Method 1 or 2 for calculating capital adequacy

3.1.30 R If ■ GENPRU 3.1.29 R (application of Method 1 or 2) applies to a *firm* with respect to the *financial conglomerate* of which it is a member, then with respect to the *firm* and the *financial conglomerate*:

(1) the definitions of *conglomerate capital resources* and *conglomerate capital resources requirement* that apply for the purposes of that *rule* are the ones from whichever of Part 1 or Part 2 of ■ GENPRU 3 Annex 1 the *firm* has indicated to the *FCA* it will apply, unless the *firm* is subject to a *requirement* obliging the *firm* to apply a specific part of ■ GENPRU 3 Annex 1, in which case ■ GENPRU 3.1.31 R will apply; and

(2) the *firm* must indicate to the *FCA* in advance which Part of ■ GENPRU 3 Annex 1 the *firm* intends to apply.

3.1.31 R If ■ GENPRU 3.1.29 R (application of Method 1 or 2) applies to a *firm* with respect to a *financial conglomerate* of which it is a member, and the *firm* is subject to a *requirement* obliging the *firm* to apply a specific part of ■ GENPRU 3 Annex 1, the definitions of *conglomerate capital resources* and *conglomerate capital resources requirement* that apply for the purposes of that *rule* are the ones from whichever of Part 1 or Part 2 of ■ GENPRU 3 Annex 1 is specified in the *requirement*.

Risk concentration and intra-group transactions: introduction

3.1.32 G ■ GENPRU 3.1.35 R implements requirements that correspond to Article 7(4) and Article 8(4) of the *Financial Groups Directive* that where a *financial conglomerate* is headed by a *mixed financial holding company*, the *sectoral rules* regarding *risk concentration* and *intra-group transactions* of the *most important financial sector* in the *financial conglomerate*, if any, shall apply to that sector as a whole, including the *mixed financial holding company*.

3.1.33 G The *FCA* may, on a case by case basis, require the application at the level of the *financial conglomerate* of the provisions of the *sectoral rules* on *risk concentrations* and *intra-group transactions*.

[**Note:** Article 7(3), Article 8(3) and Annex II of the *Financial Groups Directive*]

Risk concentration and intra-group transactions: application

3.1.34 R ■ GENPRU 3.1.35 R applies to a *firm* with respect to a *financial conglomerate* of which it is a member if the *financial conglomerate* is headed by a *mixed financial holding company*.

Risk concentration and intra group transactions: the main rule

3.1.35 R Subject to ■ GENPRU 3.1.35AR, a *firm* must ensure that the *sectoral rules* regarding *risk concentration* and *intra-group transactions* of the *most important financial sector* in the *financial conglomerate* referred to in ■ GENPRU 3.1.34 R are complied with with respect to that *financial sector* as a whole, including the *mixed financial holding company*. The *sectoral rules* for these purposes are those identified in the table in ■ GENPRU 3.1.36 R.

3.1.35A R A *mixed financial holding company* must comply with the *sectoral rules* in the table in ■ GENPRU 3.1.36R for the *investment services sector* where:

the *FCA* is the *coordinator* of the *financial conglomerate*; and

the *banking and investment services sector* is the *most important financial sector*.

Risk concentration and intra-group transactions: Table of applicable sectoral rules

3.1.36 R Table: application of sectoral rules

This table belongs to ■ GENPRU 3.1.35 R

3

The most important financial sector	Applicable sectoral rules	
	Risk concentration	Intra-group transactions
Banking and investment services sector	For the *Banking sector*: Part Four of the *CRR*	The *UK CRR* and the *PRA Rulebook*
	For the *investment services sector*: MIFIDPRU 5	SYSC 12.1.12R
Insurance sector	*PRA* Rulebook: Solvency II Firms Group Supervision 16.1	PRA Rulebook: Solvency II Firms: Groups: 16.2
Note	Any *waiver*, approval or permission granted to a member of the *financial conglomerate*, on an individual or consolidated basis, shall not apply in respect of the *financial conglomerate* for the purposes of GENPRU 3.1.36 R. For this purpose, "permission" refers to a consent, approval or agreement conferred on the *appropriate regulator* as *competent authority*.	

3.1.37 R [deleted]

3.1.38 R (1) [deleted]

(2) [deleted]

(3) [deleted]

(4) [deleted]

The financial sectors: asset management companies and alternative investment fund managers

3.1.39 R (1) This *rule* deals with the inclusion of an *asset management company* or an *alternative investment fund manager* that is a member of a *financial conglomerate* in the scope of regulation of *financial conglomerates*.

[**Note:** Articles 30 and 30a of the *Financial Groups Directive*]

(2) An *asset management company* or an *alternative investment fund manager* is in the *overall financial sector* and is a *regulated entity* for the purpose of:

(a) ■ GENPRU 3.1.29 R to ■ GENPRU 3.1.36 R;

(b) ■ GENPRU 3 Annex 1 (Capital adequacy calculations for financial conglomerates) and ■ GENPRU 3 Annex 2 (Prudential rules for third country groups); and

(c) any other provision of the *Handbook* relating to the supervision of *financial conglomerates*.

(3) Save in the circumstances in (5), in the case of a *financial conglomerate* for which the *FCA* is the *coordinator*, all *asset management companies* and all *alternative investment fund managers* must, for the purposes in (2), be allocated to either the *MIFIDPRU investment services sector* or the *insurance sector*. But if that choice has not been made in accordance with (4) and notified to the *FCA* in accordance with (4)(d), an *asset management company* or an *alternative investment fund manager* must be allocated to the *MIFIDPRU investment services sector*.

(4) The choice in (3):

(a) must be made by the *undertaking* in the *financial conglomerate* that is:

(i) the *parent undertaking* at the head of the group or,

(ii) in the absence of a *parent undertaking*, the *undertaking* that is deemed to be the *parent undertaking* in accordance with the rules in ■ MIFIDPRU 2.4;

(b) applies to all *asset management companies* and all *alternative investment fund managers* that are members of the *financial conglomerate* from time to time;

(c) cannot be changed; and

(d) must be notified to the *FCA* as soon as reasonably practicable.

[**Note:** Article 4(2) of the *Financial Groups Directive*]

(5) Where a *UCITS management company* or an *asset management company* is an *investment firm* it must be allocated to the *MIFIDPRU investment services sector*.

(a) [deleted]

(b) [deleted]

3

3.2 Third-country groups

Application

3.2.1 R ■ GENPRU 3.2 applies to every *firm* that is a member of a *third-country group*. But it does not apply to:

(1) [deleted]

(2) [deleted]

(3) [deleted]

(4) an *ICVC*; or

(5) a *bank*; or

(6) a *designated investment firm*; or

(7) an *insurer*.

3.2.1A R ■ GENPRU 3.2.9R (Supervision by analogy: rules for third-country banking and investment groups) applies in relation to an *investment firm* that falls within the definition of "investment firm" in article 4(1)(2) of the *UK CRR*.

(1) [deleted]

(2) [deleted]

Purpose

3.2.2 G ■ GENPRU 3.2 implemented requirements that corresponded in part to article 18 of the *Financial Groups Directive*, article 127 of the *CRD* and (in relation to *BIPRU firms*) article 143 of the *BCD*.

Equivalence

3.2.3 G The first question that must be asked about a *third-country group* is whether the *UK regulated entities* in that *third-country group* are subject to supervision by a *third-country competent authority*, which is equivalent to that provided for in ■ GENPRU 3 (in the case of a *financial conglomerate*) or the *UK prudential sectoral legislation* for the *banking sector*, the *CRR investment services sector* or the *MIFIDPRU investment services sector* (in the case of a *banking and investment group*).

Other methods: General

3.2.4 G If the supervision of a *third-country group* by a *third-country competent authority* does not meet the equivalence test referred to in ■ GENPRU 3.2.3 G, the methods set out in *MIFIDPRU* or the *UK* provisions which implemented the *CRD* and *UK CRR* will apply. Alternatively, the *FCA* may apply other methods that ensure appropriate supervision of the *UK regulated entities* in that *third-country group* in accordance with the aims of supplementary supervision in ■ GENPRU 3 or consolidated supervision under the applicable *UK prudential sectoral legislation*.

Supervision by analogy: introduction

3.2.5 G If the supervision of a *third-country group* by a *third-country competent authority* does not meet the equivalence test referred to in ■ GENPRU 3.2.3 G, the *FCA* may, rather than take the measures described in ■ GENPRU 3.2.4 G, apply, by analogy, the provisions concerning supplementary supervision in ■ GENPRU 3 or, as applicable, consolidated supervision under the applicable *UK prudential sectoral legislation*, to the *UK regulated entities* in the *banking sector*, *CRR investment services sector*, *MIFIDPRU investment services sector* and (in the case of a *financial conglomerate*) *insurance sector*.

3.2.6 G The *FCA* believes that it will only be right to adopt the option in ■ GENPRU 3.2.5 G in response to very unusual group structures.

3.2.7 G ■ GENPRU 3.2.8 R and ■ GENPRU 3.2.9 R and ■ GENPRU 3 Annex 2 set out *rules* to deal with the situation covered in ■ GENPRU 3.2.5 G. Those *rules* do not apply automatically. Instead, they can only be applied with respect to a particular *third-country group* through the *Part 4A permission* of a *firm* in that *third-country group*.

Supervision by analogy: rules for third-country conglomerates

3.2.8 R If the *Part 4A permission* of a *firm* contains a *requirement* obliging it to comply with this *rule* with respect to a *third-country financial conglomerate* of which it is a member, it must comply, with respect to that *third-country financial conglomerate*, with the *rules* in Part 1 of ■ GENPRU 3 Annex 2, as adjusted by Part 3 of that annex.

Supervision by analogy: rules for third-country banking and investment groups

3.2.9 R If the *Part 4A permission* of a *firm* contains a *requirement* obliging it to comply with this *rule* with respect to a *third-country banking and investment group* of which it is a member, it must comply, with respect to that *third-country banking and investment group*, with the *rules* in Part 2 of ■ GENPRU 3 Annex 2, as adjusted by Part 3 of that annex.

3

3.3 Actions for damages

3.3.1 R A contravention of the *rules* in *GENPRU* does not give rise to a right of action by a *private person* under section 138D of the *Act* (and each of those *rules* is specified under section 138D(3) of the *Act* as a provision giving rise to no such right of action).

Capital adequacy calculations for financial conglomerates (GENPRU 3.1.29R)

1 Table: PART 1: Method 1 (Accounting Consolidation Method)

Capital resources	1.1	The *conglomerate capital resources* of a *financial conglomerate* calculated in accordance with this Part are the capital of that *financial conglomerate*, calculated on an accounting consolidation basis, that qualifies under paragraph 1.2.
	1.2	The elements of capital that qualify for the purposes of paragraph 1.1 are those that qualify in accordance with the *applicable sectoral rules*, in accordance with the following: (1) the *conglomerate capital resources requirement* is divided up in accordance with the contribution of each *financial sector* to it; and (2) the portion of the *conglomerate capital resources requirement* attributable to a particular *financial sector* must be met by capital resources that are eligible in accordance with the *applicable sectoral rules* for that *financial sector*.
Capital resources requirement	1.3	The *conglomerate capital resources requirement* of a *financial conglomerate* calculated in accordance with this Part is equal to the sum of the capital adequacy and solvency requirements for each *financial sector* calculated in accordance with the *applicable sectoral rules* for that *financial sector*.
Consolidation	1.4	The information required for the purpose of establishing whether or not a *firm* is complying with GENPRU 3.1.29 R (insofar as the definitions in this Part are applied for the purpose of that *rule*) must be based on the consolidated accounts of the *financial conglomerate*, together with such other sources of information as appropriate.
	1.5	The *applicable sectoral rules* that are applied under this Part are the *applicable sectoral consolidation rules*. Other *applicable sectoral rules* must be applied if required.

2 Table: PART 2: Method 2 (Deduction and aggregation Method)

Capital resources	2.1	The *conglomerate capital resources* of a *financial conglomerate* calculated in accordance with this Part are equal to the sum of the following amounts (so far as they qualify under paragraph 2.3) for each member of the *overall financial sector*: (1) (for the *person* at the head of the *financial conglomerate*) its *solo capital resources*; (2) (for any other member): (a) its *solo capital resources*; less (b) the book value of the *financial conglomerate's* investment in that member, to the extent not already deducted in the calculation of the *solo capital resources* for: (i) the *person* at the head of the *financial conglomerate*; or

		(ii) any other member.
	2.2	The deduction in paragraph 2.1(2) must be carried out separately for each type of capital represented by the *financial conglomerate's* investment in the member concerned.
	2.3	The elements of capital that qualify for the purposes of paragraph 2.1 are those that qualify in accordance with the *applicable sectoral rules*. In particular, the portion of the *conglomerate capital resources requirement* attributable to a particular member of a *financial sector* must be met by capital resources that would be eligible under the *sectoral rules* that apply to the calculation of its *solo capital resources*.
Capital resources requirement	2.4	The *conglomerate capital resources requirement* of a *financial conglomerate* calculated in accordance with this Part is equal to the sum of the *solo capital resources requirement* for each member of the *financial conglomerate* that is in the *overall financial sector*.
Partial inclusion	2.5	The capital resources and capital resources requirements of a member of the *financial conglomerate* in the *overall financial sector* must be included proportionally. If however the member is a *subsidiary undertaking* and it has a *solvency deficit*, they must be included in full.
Accounts	2.6	The information required for the purpose of establishing whether or not a *firm* is complying with GENPRU 3.1.29 R (insofar as the definitions in this Part are applied for the purpose of that *rule*) must be based on the individual accounts of members of the *financial conglomerate*, together with such other sources of information as appropriate.

[deleted]

[deleted]

[deleted]

6 Table

Types of financial conglomerate	4.3	(1) This paragraph sets out how to determine the category of *financial conglomerate*. (2) If there is a *UK regulated entity* at the head of the *financial conglomerate*, then: (a) if that entity is in the *banking sector* or the *investment services sector*, the *financial conglomerate* is a *banking and investment services conglomerate*; or (b) if that entity is in the *insurance sector*, the *financial conglomerate* is an *insurance conglomerate*. (3) If (2) does not apply and the *most important financial sector* is the *banking and investment services sector*, it is a *banking and investment services conglomerate*. (4) If (2) and (3) does not apply, it is an *insurance conglomerate*.

7 Table

A mixed financial holding company	4.4	A *mixed financial holding company* must be treated in the same way as: (1) a *financial holding company* (if Part One, Title II, Chapter 2 of the *UK CRR* and the *PRA* Rulebook : Groups Part) are applied; (2) an *insurance holding company* (if the *rules* in PRA Rulebook: Solvency II Firms: Group Supervision are applied); or (3) an *investment holding company* (if the *rules* in *MIFIDPRU* are applied).

8 Table: PART 5: Principles applicable to all methods

Transfer-ability of capital	5.1	Capital may not be included in (1) a *firm's conglomerate capital resources* under GENPRU 3.1.29 R if the effectiveness of the transferability and availability of the capital across the different members of the *financial conglomerate* is insufficient, given the objectives of the capital adequacy rules for *financial conglomerates*. [**Note:** third unnumbered sub-paragraph of paragraph 2(ii) of Annex I of the *Financial Groups Directive* (Technical principles)]
Double counting	5.2	Capital must not be included ina *firm's conglomerate capital resources* under GENPRU 3.1.29 R if: (1) it would involve double counting or multiple use of the same capital; or (2) it results from any inappropriate intra-group creation of capital.
Cross sectoral capital	5.3	(1) The solvency requirements for each different *financial sector* represented in a *financial conglomerate* required by GENPRU 3.1.29 R must be covered by own funds elements in accordance with the corresponding *applicable sectoral rules*. (2) If there is a deficit of own funds at the *financial conglomerate* level, only cross sectoral capital shall qualify for verification of compliance with the additional solvency requirement required by GENPRU 3.1.29 R. [**Note:** second sub-paragraph of paragraph 2(ii) of Section I of Annex I of the *Financial Groups Directive*]
Application of sectoral rules: General	5.4	The following adjustments apply to the *applicable sectoral rules* as they are applied by the *rules* in this annex. (1) [deleted] (2) If any of those *rules* would otherwise not apply to a situation in which they are applied by GENPRU 3 Annex 1, those *rules* nevertheless still apply (and in particular, any of those *rules* that would otherwise have the effect of disapplying consolidated supervision do not apply). (3) (If it would not otherwise have been included) an *ancillary insurance services undertaking* is included in the *insurance sector*. (4) The scope of those *rules* is amended so as to remove restrictions relating to where members of the *financial conglomerate* are incorporated or have their head office, so that the scope covers every member of the *financial con-*

		glomerate that would have been included in the scope of those *rules* if those members had their head offices in the *UK*. (5) (For the purposes of Parts 1 and 2) those *rules* must be adjusted, if necessary, when calculating the capital resources, capital resources requirements or solvency requirements for a particular *financial sector* to exclude those for a member of another *financial sector*. (6) Any *waiver*, approval or permission granted to a member of the *financial conglomerate* under those *rules* does not apply for the purposes of this annex.
Application of sectoral rules: Insurance sector	5.5	[deleted]
Application of sectoral rules: Banking sector and investment services sector	5.6	[deleted]
No capital ties	5.7	(1) This *rule* deals with a *financial conglomerate* in which some of the members are not linked by capital ties at the time of the notification referred to in GENPRU 3.1.29A R (Capital adequacy requirements: Application of Method 1 or 2). [deleted] [deleted] (4) If: [deleted] (b) GENPRU 3.1.29 R (Capital adequacy requirements: Application of Method 1 or 2) applies with respect to a *financial conglomerate* falling into (1); then: (c) the treatment of the links in (1) (including the treatment of any *solvency deficit*) is as provided for in whichever of Part 1 or Part 2 of GENPRU 3 Annex 1 the *firm* has, under GENPRU 3.1.30 R, indicated to the *FCA* it will apply or, if applicable, in the *requirement* referred to in GENPRU 3.1.31 R; and (d) GENPRU 3.1.29 Rapplies even if the *applicable sectoral rules* do not deal with how *undertakings* not linked by capital ties are to be dealt with for the purposes of consolidated supervision . [deleted]

9 Table: PART 6: Definitions used in this Annex

Defining the financial sectors	6.1	For the purposes of Parts 1 and 2 of this annex: (1) an *asset management company* is allocated in accordance with GENPRU 3.1.39 R;an *alternative investment fund manager* is allocated in accordance with GENPRU 3.1.39 R; and (3) a *mixed financial holding company* must be treated as being a member of the *most important financial sector*.
Solo capital resources requirement: Banking sector and investment service sector	6.2	(1) Save in the circumstances in paragraphs 6.6 to 6.7A, the *solo capital resources requirement* of an *undertaking* in the *banking sector* or the *investment services sector* must be calculated in accordance with the *UK* prudential requirements that apply to that *undertaking* on a solo basis. (2) [deleted]

		(3) [deleted] (4) [deleted] (5) [deleted] (6) [deleted] (7) [deleted]
Solo capital resources requirement: application of rules	6.3	Any exemption that would otherwise apply under any *rules* applied by paragraph 6.2 do not apply for the purposes of this Annex.
Solo capital resources requirement: Insurance sector	6.4	(1) The *solo capital resources requirement* of an *undertaking* in the *insurance sector* must be calculated in accordance with this *rule*.The *solo capital resources requirement* of an *undertaking* in the *insurance sector* is: (a) in respect of a UK Solvency II firm, the *SCR*; (b) [deleted] (c) in respect of a third country insurance undertaking or third country reinsurance undertaking to which the PRA Rulebook: Solvency II Firms: Group Supervision, 10.4(2) applies, the equivalent of the *SCR* as calculated in accordance with the applicable requirements in that *third country*; and (d) in respect of any *undertaking* which is not within (a) to (c), the capital resources requirement calculated according to the rules for the calculation of the solo capital resources requirement applicable to that *undertaking* for the purposes of the calculation referred to in the PRA Rulebook: Solvency II Firms: Group Supervision and Chapter 1 of Title II of the delegated acts, or if no rules are applicable for that calculation under Group Supervision and Chapter 1 of Title II of the delegated acts, in accordance with the SCR Rules. For the purpose of this Part as it applies in relation to GENPRU 3.1, the following expressions bear the same meaning as defined in the PRA Rulebook: Glossary: (i) "UK Solvency II firm"; (ii) [deleted] (iii) "delegated acts"; (iv) "third country insurance undertaking"; (v) "third country reinsurance undertaking"; and (vi) "SCR Rules".
Solo capital resources requirement: EEA firms in the banking sector or investment services sector	6.5	[deleted]
Solo capital resources requirement: non-UK firms subject to equivalent regimes in the banking sector or investment services sectors	6.6	The *solo capital resources requirement* for a *recognised third country credit institution* or a *recognised third country investment firm* is the amount of capital resources that it is obliged to hold under the *sectoral rules* for its *financial sector* that apply to it in the state or territory in which it has its head office provided that: (1) there is no reason for the *firm* applying the *rules* in this annex to believe that the use of those *sectoral rules* would produce a lower figure than would be produced under paragraph 6.2; and

		(2) paragraph 6.3 applies to the entity and those *sectoral rules*.
Solo capital resources requirement: mixed financial holding company	6.7	(1) The *solo capital resources requirement* of a *mixed financial holding company* is a notional capital requirement. Subject to (2), it is the capital adequacy requirement that applies to *regulated entities* in the *most important financial sector* under the table in paragraph 6.10. (2) Where the *banking and investment services sector* is the *most important financial sector*, the capital adequacy requirement will be: (a) where there is a *UK credit institution* in the *financial conglomerate*, the requirements in the table in paragraph 6.10 for the *banking sector*; or (b) in all other cases, the requirements in the table in paragraph 6.10 for the *investment services sector*.
Solo capital resources requirement: other non-regulated financial sector entities	6.7A	The *solo capital resources requirement* of a non-regulated *financial sector entity* other than a *mixed financial holding company* is a notional capital requirement calculated in accordance with Article 12 of Part 1 (FCA) of Regulation (EU) 342/2014.
Reference to "rules"	6.7B	A reference to "*rules*" in this annex includes any *onshored regulations* that are relevant to the purpose for which "*rules*" as used refers to.

10 Table

Solo capital resources requirement: the insurance sector	6.8	References to capital requirements in the provisions of GENPRU 3 Annex 1 defining *solo capital resources requirement* must be interpreted in accordance with paragraph 5.4.
Applicable sectoral consolidation rules	6.9	The *applicable sectoral consolidation rules* for a *financial sector* are the *sectoral rules* about capital adequacy and solvency on a consolidated basis that are applied in the table in paragraph 6.10.

11 Table: Paragraph 6.10: Application of sectoral consolidation rules

Financial sector	Sectoral rules
Banking sector	Part One, Title II, Chapter 2 of the *UK CRR* and the *PRA Rulebook*.
Insurance sector	PRA Rulebook: Solvency II Firms: Group Supervision.
Investment services sector	MIFIDPRU 2.4 and MIFIDPRU 2.5.

12 Table:

Part 5	1	This Part 6 is subject to Part 5 of this Annex.

Prudential rules for third country groups (GENPRU 3.2.8R to GENPRU 3.2.9R)

1 Table: PART 1: Third-country financial conglomerates

1.1	This Part of this annex sets out the *rules* with which a *firm* must comply under GENPRU 3.2.8 R with respect to a *financial conglomerate* of which it is a member.
1.2	A *firm* must comply, with respect to the *financial conglomerate* referred to in paragraph 1.1, with GENPRU 3.1.29 R as applied under paragraph 1.3.
1.3	For the purposes of paragraph 1.2: (1) [deleted] (2) the definitions of *conglomerate capital resources* and *conglomerate capital resources requirement* that apply for the purposes of that *rule* are the ones from whichever of Part 1or Part 2 of GENPRU 3 Annex 1 is specified in the *requirement* referred to in GENPRU 3.2.8 R; and (3) the *rules* so applied (including those in GENPRU 3 Annex 1) are adjusted in accordance with paragraph 3.1.
1.4	If the condition in Articles 7(4) and 8(4) of the *Financial Groups Directive* is satisfied (the *financial conglomerate* is headed by a *mixed financial holding company*) with respect to the *financial conglomerate* referred to in paragraph 1.1 the *firm* must also comply with GENPRU 3.1.35 R (as adjusted in accordance with paragraph 3.1) with respect to that *financial conglomerate*.
1.5	A *firm* must comply with the following with respect to the *financial conglomerate* referred to in paragraph 1.1: (1) SYSC 12 (as it applies to *financial conglomerates* and as adjusted under paragraph 3.1); and (2) GENPRU 3.1.25 R.

2 Table: PART 2: Third-country banking and investment groups

2.1	This Part of this annex sets out the *rules* with which a *firm* must comply under GENPRU 3.2.9 R with respect to a *third-country banking and investment group* of which it is a member.
2.2	A *firm* must comply with one of the sets of *rules* specified in paragraph 2.3 as adjusted under paragraph 3.1 with respect to the *third-country banking and investment group* referred to in paragraph 2.1.
2.3	The *rules* referred to in paragraph 2.2 are : (1) the *applicable sectoral consolidation rules* in paragraph 6.10 of GENPRU 3 Annex 1.
2.4	The set of *rules* from paragraph 2.3 that apply with respect to a particular *third-country banking and investment group* (as referred to in paragraph 2.1) are those that would apply if they were adjusted in accordance with paragraph 3.1.

2.5	The *sectoral rules* applied by Part 2 of this annex cover all prudential *rules* applying on a consolidated basis including those relating to large exposures and concentration risk (as applicable).
2.6	A *firm* must comply with SYSC 12 (as it applies to *banking and investment groups* and as adjusted under paragraph 3.1) with respect to the *third-country banking and investment group* referred to in paragraph 2.1.

3 Table: PART 3: Adjustment of scope

3.1	The adjustments that must be carried out under this paragraph are that the scope of the *rules* referred in Part 1 or Part 2 of this annex, as the case may be, are amended: (1) so as to remove any provisions disapplying those *rules* for *third-country groups*; (2) so as to remove all limitations relating to where a member of the *third-country group* is incorporated or has its head office; and (3) so that the scope covers every member of the *third-country group* that would have been included in the scope of those *rules* if those members had their head offices in, and were incorporated in, the *UK*.

4Table: PART 4: Definition used in this Annex

4.1	This Part sets out the definition which a *firm* must apply for the purposes of this annex as it applies in relation to GENPRU 3.2.
4.2	A reference to "*rules*" in this annex includes any *onshored regulations* that are relevant to the purpose for which "*rules*" as used refers to.

Guidance Notes for Classification of Groups

Classification of Groups (GENPRU 3.1.3 G) - This annex consists only of one or more forms. Forms are to be found through the following address. [*Editor's note*: The form can be found at this address: https://fca.org.uk/publication/forms/genpru/GENPRU_3_Ann_3G_20220128.pdf

Purpose and scope

The form is designed to identify groups and sub-groups that are likely to be financial conglomerates under ■ GENPRU 3. A group may be a financial conglomerate if it contains both insurance and banking/investment businesses and meets certain threshold tests. The *FCA* needs to identify conglomerates with their head offices in the *UK* and those with their head offices outside the *UK*, although this does not necessarily mean that the latter will be subject to *UK* conglomerate supervision.

This form's purpose is to enable the *FCA* to obtain sufficient information so as to be able to determine how likely a group/sub-group is to be a financial conglomerate. In certain cases this can only be determined after consultation with the *PRA*. A second purpose of the form is therefore to identify any groups and sub-groups that may need such consultation so that this can be made as soon as possible. This should allow firms time to prepare to comply.

The third purpose of the form is to gain information from firms on the most efficient way to implement the threshold calculations in detail. We have, therefore, asked for some additional information in part 4 of the form.

A copy of this form can be found on the *FCA's* Financial Groups Website with current contact details.

Please include workings showing the method employed to determine the percentages in part 2 (for the threshold conditions) and giving details of all important assumptions / approximations made in doing the calculations.

The definition of financial conglomerate includes not only conventional groups made up of parent-subsidiary relationships but groups linked by control and "consolidation Article 12(1) relationships". If this is the case for your group, please submit along with this form a statement that this is the case. Please include in that statement an explanation of how you have included group members not linked by capital ties in the questionnaire calculations.

A consolidation Article 12(1) relationship arises between undertakings in the circumstances set out in Article 12(1) of the Seventh Company Law Directive. These are set out in the Handbook Glossary (in the definition of consolidation Article 12(1) relationship). Broadly speaking, undertakings come within this definition if they do not form a conventional group but:

(a) are managed on a unified basis; or
(b) have common management.

General guidance

We would like this to be completed based on the most senior parent in the group, and, if applicable, for the company heading the most senior conglomerate group in the *UK*. If appropriate, please also attach a list of all other likely conglomerate sub-groups.

Please use the most recent accounts for the top level company in the group together with the corresponding accounts for all subsidiaries and participations that are included in the consolidated accounts. Please indicate the names of any significant subsidiaries with a different year-end from the group's year-end.

Please note the following:

(a) (a) Branches should be included as part of the parent entity.

(b) (b) Include in the calculations overseas entities owned by the relevant group or sub-group.
(c) (c) There are only two sectors for this purpose: banking/investment and insurance.
(d) (d) You will need to assign non-regulated financial entities to one of these sectors:

- **banking/investment** activities are listed in – Annex 1 to the Capital Requirements Directive 2013/36/EU
- **insurance** activities are listed in - schedule 1 to, and *contracts of insurance* defined in article 3(1) of, the *Regulated Activities Order* .
- Any **operator of a UCITS scheme, insurance intermediary, mortgage broker and mixed financial holding company** does not fall into the directive definitions of either financial sector or insurance sector and should be treated for these purposes as being outside the financial sector. They should therefore be ignored for the purposes of these calculations.

Threshold tests

For the purpose of completing section 2 of the form relating to the threshold tests, the following guidance should be used. However, if you consider that for your group there is a more appropriate calculation then you may use this calculation so long as the method of computation is submitted with the form.

Calculating balance sheet totals

Generally, use total (gross) assets for the balance sheet total of a group/entity. However, investments in other entities that are part of the group will need to be deducted from the sector that has made the investment and the balance sheet total of the entity is added to the sector in which it operates.

Our expectation of how this may be achieved efficiently is as follows:

(i) Off-balance-sheet items should be excluded.
(ii) Where off-balance sheet treatment of **funds under management** and on-balance sheet treatment of **policy holders' funds** may distort the threshold calculation, groups should consult the *FCA* on the appropriateness of using other measures under regulation 19 of the Financial Conglomerates and Other Financial Groups Regulations 2004.
(iii) If consolidated accounts exist for a sub-group consisting of financial entities from only one of the two sectors, these consolidated accounts should be used to measure the balance-sheet total of the sub-group (i.e. total assets less investments in entities in the other sector). If consolidated accounts do not exist, intra-group balances should be netted out when calculating the balance sheet total of a single sector (but cross-sector intra-group balances should not be netted out).
(iv) Where consolidated accounts are used, minority interests should be excluded and goodwill should be included.
(v) Where accounting standards differ between entities, groups should consult the *FCA* if they believe this is likely materially to affect the threshold calculation.
(vi) Where there is a subsidiary or participation in the opposite sector from its parent (i.e. insurance sector for a banking/investment firm parent and vice versa), the balance sheet amount of the subsidiary or participation should be allocated to its sector using its individual accounts.
(vii) The balance-sheet total of the parent entity/sub-group is measured as total assets of the parent/sub-group less the book value of its subsidiaries or participations in the other sector (i.e. the value of the subsidiary or participation in the parent's consolidated accounts is deducted from the parent's consolidated assets).
(viii) The cross-sector subsidiaries or participations referred to above, valued according to their own accounts, are allocated pro-rata, according to the aggregated share owned by the parent/sub-group, to their own sector.
(ix) If the cross-sector entities above themselves own group entities in the first sector (i.e. that of the top parent/sub-group) these should (in accordance with the methods above) be excluded from the second sector and added to the first sector using individual accounts.

Solvency (capital adequacy) requirements

Generally, the solvency requirements should be according to sectoral rules that would apply to the type of entity. However, you can use local rules in the circumstances set out in Part 6 of GENPRU 3 Annex 1. But if this choice makes a significant difference,

either with respect to whether the group is a financial conglomerate or with respect to which sector is the biggest, you should consult with the *FCA* . Non-regulated financial entities should have proxy requirements calculated on the basis of the most appropriate sector. If sub-groups submit single sector consolidated returns then the solvency requirement may be taken from those returns.

Our expectation of how this may be achieved efficiently is as follows:

(i) If you complete a solvency return for a sub-group consisting of financial entities from only one of the financial sectors, the total solvency requirement for the sub-group should be used.
(ii) Solvency requirements taken must include any deductions from available capital so as to allow the appropriate aggregation of requirements.
(iii) Where there is a regulated subsidiary or participation in another sector from its parent/sub-group, the solvency requirement of the subsidiary or participation should be from its individual regulatory return. If there is an identifiable contribution to the parent's solvency requirement in respect of the cross-sector subsidiary or participation, the parent's solvency requirement may be adjusted to exclude this.
(iv) Where there is an unregulated financial undertaking in another sector from its parent/sub-group, the solvency requirement of the subsidiary or participation should be one of the following:
(a) as if the entity were regulated under the appropriate sectoral rules; or
(b) (c) using local requirements* for the appropriate sector(where permissible).
Please note on the form which of these options you have used, according to the country and sector, and whether this is the same treatment as in your latest overall group solvency calculation.
(v) For banking/investment requirements, use the total amount of capital required.
(vi) For insurance requirements, use the total amount of capital required.

Market share measures

The aim is to identify any standard industry approaches to measuring market share by sector, or any data sources which are commonly used as a proxy.

Article I.

Article II. Threshold tests

Test F2

B/S of banking/investment + insurance sector = result %

B/S total

Test F3/F4/F5

B/S of insurance sector

B/S of banking/investment sector + insurance sector = A%

B/S of banking/investment sector

B/S of banking/investment sector + insurance sector = B%

Solvency requirement of insurance sector

Solvency requirement of banking/investment sector +insurance sector = C%

Solvency requirement of banking/investment sector

Solvency requirement of banking/investment sector +insurance sector = D%

The relevant percentage for the insurance sector is:

(A% + C%)/2 = I %

The relevant percentage for the banking/investment sector is:

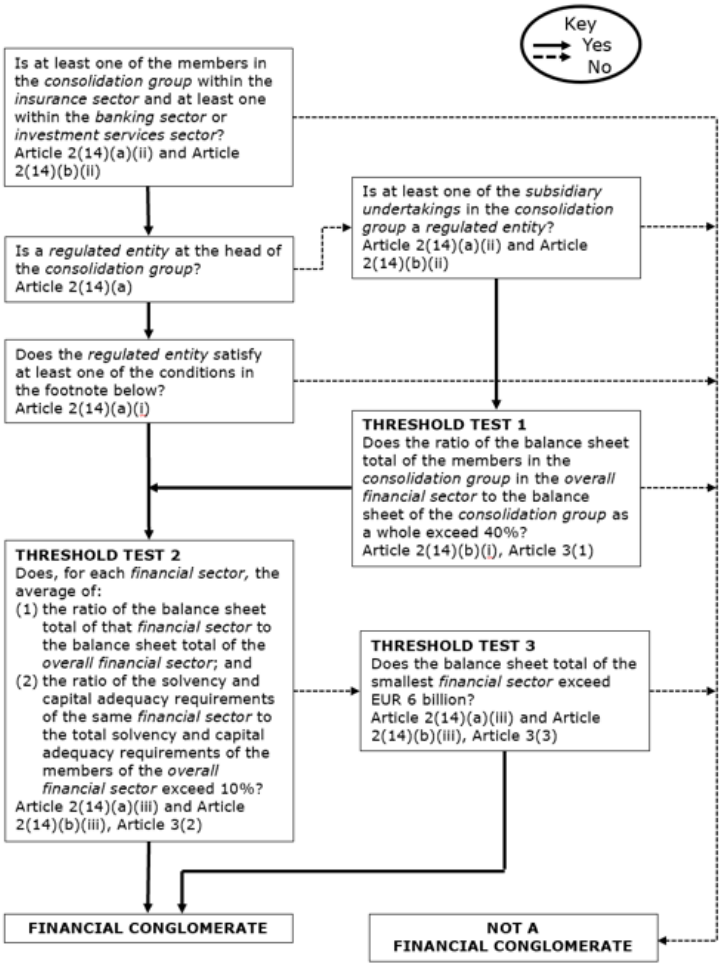
(B% + D%)/2 = BI %

The smallest sector is the sector with the smallest relevant percentage.

Article III. If I% < BI% then F3 is insurance, F4 = A%, and F5 = C%

Article IV. If BI% < I% then F3 is banking/investment, F4 = B% and F5 = D%

(see GENPRU 3.1.5R)



Footnote: the conditions are that the *UK regulated entity* at the head of the *consolidation group:*
is a *parent undertaking* of a member of the *consolidation group* in the *overall financial sector,*
has a *participation* in a member of the *consolidation group* that is in the *overall financial sector,* or
has a *consolidation Article 12(1) relationship* with a member of the *consolidation group* that is in the *overall financial sector.*

General Prudential sourcebook

GENPRU TP 1
Application of GENPRU TP 1 to GENPRU TP 6 and other general provisions for insurers

General Prudential sourcebook

GENPRU TP 2
IPRU(INS) waivers

General Prudential sourcebook

GENPRU TP 3
Table: IPRU(INS) waivers

General Prudential sourcebook

GENPRU TP 4
Capital instruments

General Prudential sourcebook

GENPRU TP 5
Calls for supplementary contributions

General Prudential sourcebook

GENPRU TP 6
Implicit items waivers

General Prudential sourcebook

GENPRU TP 7
[deleted]

[deleted]

[deleted]

General Prudential sourcebook

GENPRU TP 8
Miscellaneous capital resources definitions for BIPRU firms [deleted]

General Prudential sourcebook

GENPRU TP 8A
Further miscellaneous capital resources definitions for BIPRU firms [deleted]

General Prudential sourcebook

GENPRU TP 8B
Miscellaneous capital resources definitions for BIPRU firms: Core tier one capital [deleted]

General Prudential sourcebook

GENPRU TP 9
[deleted]

[deleted]

[deleted]

General Prudential sourcebook

GENPRU TP 10
Assets of former underwriting members

General Prudential sourcebook

GENPRU TP 11
PRU waivers

General Prudential sourcebook

GENPRU TP 12
Table: PRU waivers

General Prudential sourcebook

GENPRU TP 13
EEA pure reinsurers

General Prudential sourcebook

GENPRU TP 14
[deleted]

[deleted]

[deleted]

General Prudential sourcebook

GENPRU TP 16
[deleted]

[deleted]

[deleted]

General Prudential Sourcebook

Schedule 1
Record keeping requirements [deleted]

General Prudential Sourcebook

Schedule 2
Notification and reporting requirements [deleted]

General Prudential Sourcebook

Schedule 3
Fees and other requirement payments [deleted]

General Prudential Sourcebook

Schedule 4
Powers exercised

Sch 4.1 G
[deleted]

Sch 4.2 G
[deleted]

General Prudential Sourcebook

Schedule 5
Rights of action for damages

Sch 5 G

1. The table below sets out the rules in *GENPRU* contravention of which by an *authorised person* may be actionable under section 138Dof the *Act* (Actions for damages) by a person who suffers loss as a result of the contravention.

2. If a "Yes" appears in the column headed "For private person", the rule may be actionable by a private person under section 138D(or, in certain circumstances, his fiduciary or representative; see article 6(2) and (3)(c) of the Financial Services and Markets Act 2000 (Rights of Action) Regulations 2001 (SI 2001/2256)). A "Yes" in the column headed "Removed" indicates that the *FCA* has removed the right of action under section 138D(3) of the Act. If so, a reference to the rule in which it is removed is also given.

3. The column headed "For other person" indicates whether the rule may be actionable by a person other than a private person (or his fiduciary or representative) under article 6(2) and (3) of those Regulations. If so, an indication of the type of person by whom the rule may be actionable is given.

Chapter/ Appendix	Section/Annex	Right of action under section 138D		
		For private person	Removed	For other person
All *rules* in *GENPRU*		No	Yes - GENPRU 1.4.1 R	No

General Prudential Sourcebook

Schedule 6
Rules that can be waived

Sch 6 G

The rules in *GENPRU* may be waived by the *appropriate regulator* under section 138A of the *Act* (Modification or waiver of rules).