

Chapter 10C

FCA senior managers regime
for approved persons in
SMCR firms

What functions apply to what type of firm

Part One: Introduction

This annex sets out which *FCA controlled function* applies to which type of *SMCR firm*.

If an *FCA controlled function* is not included in a table for a particular class of *firm*, that *FCA controlled function* does not apply to any *firm* in that class.

- (1) If one of the tables in this annex shows that an *FCA controlled function* applies to a type of *firm*, that function does not necessarily apply to every *firm* in that class.
- (2) That may be because of limitations in the description of the function itself. For example, the *partner function* only applies to partnerships.
- (3) Another reason would be if the *rules* defining the *FCA controlled function* refer to a *rule* elsewhere in the *FCA Handbook* and the latter only applies to certain types of *firm*. For example, ■ SYSC 1 Annex 1 (Detailed application of SYSC) cuts back the application of some of the *FCA required functions*.
- (4) The exclusions in ■ SUP 10C.1 are also relevant.

In the tables in this annex:

- (1) ☒ means that the *FCA controlled function* applies; and
- (2) × means that the *FCA controlled function* does not apply.

Part Two

[This part has been left blank deliberately]Part Three: Functions applying to banking sector firms

- (1) The table in ■ SUP 10C Annex 1 3.2R sets out which *FCA controlled function* applies to which type of *SMCR banking firm*.
- (2) *SMCR firms* in (1) are divided into the following categories for the purposes in (1):
 - (a) a *UK SMCR banking firm*;
 - (b) an *EEA SMCR banking firm*; and
 - (c) a *third-country SMCR banking firm*.

Table: Controlled functions applying to banking firms

(1) Brief description of function	(2) Function number	(3) UK firm	(4) EEA firm	(5) Third-country firm
Governing functions				
<i>Executive director function</i>	SMF 3	☒	×	☒
<i>Chair of the nomination committee function</i>	SMF 13	☒	×	×
<i>Partner function</i>	SMF 27	☒	×	×

(1) Brief description of function	(2) Function number	(3) UK firm	(4) EEA firm	(5) Third-country firm
Required functions				
<i>Compliance oversight function</i>	SMF 16	☒	×	☒
<i>Money laundering reporting function</i>	SMF 17	☒	☒	☒
<i>Other overall responsibility function</i>	SMF 18	☒	×	×
<i>Other local responsibility function</i>	SMF 22	×	×	☒
Other high-level management functions				
<i>EEA branch senior manager function</i>	SMF 21	×	☒	×
<p>Note: The categories of <i>firm</i> in the column headings of this table are to be interpreted in accordance with the classification of <i>firms</i> in SUP 10C Annex 1 3.1R. Therefore:</p> <p>(1) column three (UK firm) refers to SUP 10C Annex 1 3.1R(2)(a);</p> <p>(2) column four (EEA firm) refers to SUP 10C Annex 1 3.1R(2)(b); and</p> <p>(3) column five (Third-country firm) refers to SUP 10C Annex 1 3.1R(2)(c).</p>				

Part Four: Functions applying to insurance sector firms

(1) The table in ■ SUP 10C Annex 1 4.2R sets out which *FCA controlled function* applies to which type of *SMCR insurance firm*.

(2) *SMCR firms* in (1) are divided into the following categories for the purposes in (1):

- (a) a *Solvency II firm* not within any other paragraph of this rule;
- (b) a *Solvency II firm* within paragraph (c) of the *Glossary* definition of *Solvency II firm* (EEA branch);
- (c) a *Solvency II firm* within paragraph (b) of the *Glossary* definition of *Solvency II firm* (third country branch);
- (d) a *small non-directive insurer*;
- (e) a *firm* in ■ SYSC 23 Annex 1 5.2R (*firms* in run-off); and
- (f) an *insurance special purpose vehicle*.

(3) An *insurance special purpose vehicle* only falls into paragraph (2)(f). Subject to that, a *firm* in (2)(e) does not fall into any other paragraph.

References to a *Solvency II firm* include a *large non-directive insurer*.

Table: Controlled functions applying to insurance sector firms

(1) Brief description of function	(2) Function number	(3) Solvency II and large NDF	(4) EEA branches	(5) Third country branches	(6) Small NDF and other	(7) ISPV
Governing functions						
<i>Executive director function</i>	SMF 3	☒	×	☒	☒	☒
<i>Chair of the nomination committee function</i>	SMF 13	☒	×	×	×	×

(1) Brief description of function	(2) Function number	(3) Solvency II and large NDF	(4) EEA branches	(5) Third country branches	(6) Small NDF and other	(7) ISPV
<i>Chair of the with-profits committee function</i>	SMF 15	☒	×	☒	×	×
<i>Partner function</i>	SMF 27	☒	×	×	☒	×
Required functions						
<i>Compliance oversight function</i>	SMF 16	☒	×	☒	☒	☒
<i>Money laundering reporting function</i>	SMF 17	☒	☒	☒	☒	×
<i>Other overall responsibility function</i>	SMF 18	☒	×	×	×	×
<i>Other local responsibility function</i>	SMF 22	×	×	☒	×	×
<i>Conduct risk oversight (Lloyd's) function</i>	SMF 23b	☒	×	×	×	×
See Note 2						
Other high-level management functions						
<i>EEA branch senior manager function</i>	SMF 21	×	☒	×	×	×
<p>Note 1: The categories of <i>firm</i> in the column headings of this table are to be interpreted in accordance with the classification of <i>firms</i> at SUP 10C Annex 1 4.1R. Therefore:</p> <p>(a) column three (Solvency II and large NDF) refers to SUP 10C Annex 1 4.1R(2)(a);</p> <p>(b) column four (EEA branches) refers to SUP 10C Annex 1 4.1R(2)(b);</p> <p>(c) column five (Third country branches) refers to SUP 10C Annex 1 4.1R(2)(c);</p> <p>(d) column six (Small NDF and other) refers to SUP 10C Annex 1 4.1R(2)(d) and (e); and</p> <p>(e) column seven (ISPV) refers to SUP 10C Annex 1 4.1R(2)(f).</p> <p>Note 2: The <i>conduct risk oversight (Lloyd's) function</i> only applies to the <i>Society</i>.</p>						