

Senior management arrangements, Systems and Controls

Chapter 1

Application and purpose

1.1A Application

[**Note:** ESMA has also issued guidelines under article 16(3) of the ESMA Regulation covering:

- various topics relating to automated trading and direct electronic access. See http://www.esma.europa.eu/sites/default/files/library/2015/11/esma_2012_122_en.pdf ; and
- certain aspects of the MiFID suitability requirements which also deal with the system and control aspects of suitability. See http://www.esma.europa.eu/sites/default/files/library/2015/11/2012-387_en.pdf .]

1.1A.1 G The application of this sourcebook is summarised at a high level in the following table. The detailed application is cut back in ■ SYSC 1 Annex 1 and in the text of each chapter.

Type of firm	Applicable chapters
<i>Insurer, UK ISPV</i>	Chapters 2, 3, 12 to 18, 19F.2, 21, 22, 23, 24, 25, 26, 27, 28
<i>Managing agent</i>	Chapters 2, 3, 11, 12, 18, 19F.2, 21, 22, 23, 24, 25, 26, 27, 28
<i>Society</i>	Chapters 2, 3, 12, 18, 19F.2, 21, 22, 23, 24, 25, 26, 27, 28
<i>Any other SMCR firm</i>	Chapters 4 to 12, 18, 19D, 19F.2, 21, 22, 23, 24, 25, 26, 27, 28
<i>Every other firm</i>	Chapters 4 to 12, 18, 19D, 19F.2, 21, 22, 28

Firms that ■ SYSC 19D applies to should also refer to the Remuneration part of the *PRA Rulebook*.

1.1A.1A G The application of this sourcebook to specific *firms* that are not *PRA- authorised persons* is summarised at a high level in the following table. The detailed application is cut back in ■ SYSC 1 Annex 1 and in the text of each chapter.

Type of firm	Applicable chapters
<i>Full-scope UK AIFM</i>	Chapters 4 to 10, 12, 18, 19B, 19F.2, 21, 22, 28
<i>BIPRU firm (including a third-country BIPRU firm)</i>	Chapters 4 to 10, 12, 18, 19C, 19F.2, 20, 21, 22, 28
<i>IFPRU investment firm (including an overseas firm that would have been an IFPRU invest</i>	Chapters 4 to 10, 12, 18, 19A, 19F.2, 20, 21, 22, 28

Type of firm	Applicable chapters
<i>ment firm if it had been a UK domestic firm)</i>	

1.1A.2

G

The provisions in SYSC should be read in conjunction with ■ GEN 2.2.23 R to ■ GEN 2.2.25 G. In particular:

- (1) [deleted]
- (2) Provisions made by the *FCA*, and by the *PRA* in the *PRA* Rulebook, may be applied by both regulators to *PRA-authorised persons*. Such provisions are applied by each regulator to the extent of its powers and regulatory responsibilities.
- (3) For *Solvency II firms*, the *FCA* considers that the requirements and guidance in Chapters 2, 3, 12 to 18, 19F.2, 21, 22 and 28 of SYSC are not inconsistent with:
 - (a) the parts of the *PRA* Rulebook implementing the governance provisions in the *Solvency II Directive* (articles 40 to 49);
 - (b) the *Solvency II Regulation* (EU) 2015/35 of 10 October 2014 (articles 258 to 275), or
 - (c) *EIOPA* guidelines on systems of governance dated 28 January 2015.

In most cases, there is no direct overlap with those provisions because the SYSC requirements are directed at *FCA* conduct requirements not expressly covered by or under the *Solvency II Directive*. Where there is a direct overlap with SYSC rules and guidance, the *FCA* will take the *Solvency II Directive* derived requirements and guidelines into account and will interpret the SYSC rules and guidance in a way that avoids inconsistency. The definition of *Solvency II firm* includes (for SYSC) *large non-directive insurers* because the *PRA* have applied certain *Solvency II* derived requirements to those firms. Where SYSC refers to the *PRA* Rulebook applicable to *Solvency II firms*, *large non-directive insurers* should read those references as if they were references to the corresponding part of the *PRA* Rulebook applicable to *large non-directive insurers*.

1.2 Purpose

1.2.1 **G** The purposes of SYSC are:

- (1) to encourage *firms' directors and senior managers* to take appropriate practical responsibility for their *firms'* arrangements on matters likely to be of interest to the FCA because they impinge on the FCA's functions under the Act;
- (2) to increase certainty by amplifying *Principle 3*, under which a *firm* must take reasonable care to organise and control its affairs responsibly and effectively, with adequate risk management systems;
- (3) to encourage *firms* to vest responsibility for effective and responsible organisation in specific *directors and senior managers*; and
- (4) to create a common platform of organisational and systems and controls requirements for all *firms*.
- (5) [deleted]

1.2.1A **G**



1.4 Application of SYSC 11 to 28

What?

- 1.4.1 G The application of each of chapters ■ SYSC 11 to ■ SYSC 21 is set out in those chapters and in ■ SYSC 1.4.1A R.
- 1.4.1-A G The application of each of the chapters ■ SYSC 19F.2, ■ SYSC 22 to ■ SYSC 28 is set out in those chapters.
- 1.4.1A R ■ SYSC 12, ■ SYSC 19A, ■ SYSC 19D, ■ SYSC 20 and ■ SYSC 21 do not apply to a *firm* in relation to its carrying on of *auction regulation bidding*.
- 1.4.1B G Apart from ■ SYSC 12, ■ SYSC 19A, ■ SYSC 19D, ■ SYSC 20 and ■ SYSC 21 which are disapplied by ■ SYSC 1.4.1A R, the other chapters of ■ SYSC 11 to ■ SYSC 17 do not apply in relation to a *firm's* carrying on of *auction regulation bidding* because they only apply to an *insurer*. ■ SYSC 18 provides guidance on the Public Interest Disclosure Act.

Actions for damages

- 1.4.2 R A contravention of a *rule* in ■ SYSC 11 to ■ SYSC 21, ■ SYSC 22.8.1R, ■ SYSC 22.9.1R or ■ SYSC 23 to ■ SYSC 28 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).

Detailed application of SYSC

Part 1		Application of SYSC 2 and SYSC 3 to an insurer, a UK ISPV, a managing agent and the Society
Who?		
1.1	R	<p>SYSC 2 and SYSC 3 only apply to an <i>insurer</i>, a <i>UK ISPV</i>, a <i>managing agent</i> and the <i>Society</i> except that:</p> <ol style="list-style-type: none"> (1) for an <i>incoming EEA firm</i> or an <i>incoming Treaty firm</i>: <ol style="list-style-type: none"> (a) SYSC 2.1.1 R and SYSC 2.1.2 G do not apply; (b) SYSC 2.1.3 R to SYSC 2.2.3 G apply, but only in relation to allocation of the function in SYSC 2.1.3 R (2) and only in so far as responsibility for the matter in question is not reserved by an <i>EU instrument</i> to the <i>firm's Home State regulator</i>; and (c) SYSC 3 applies, but only in so far as responsibility for the matter in question is not reserved by an <i>EU instrument</i> to the <i>firm's Home State regulator</i>; (2) for an <i>incoming EEA firm</i> which has <i>permission</i> only for <i>cross border services</i> and which does not carry on <i>regulated activities</i> in the <i>United Kingdom</i>, SYSC 2 and SYSC 3 do not apply; (3) for an <i>incoming Treaty firm</i> which has <i>permission</i> only for <i>cross border services</i> and which does not carry on <i>regulated activities</i> in the <i>United Kingdom</i>, SYSC 3.2.6A R to SYSC 3.2.6J G do not apply; (4) for a <i>sole trader</i>: <ol style="list-style-type: none"> (a) SYSC 2 applies but only if he employs any <i>person</i> who is required to be approved under section 59 of the Act (Approval for particular arrangements); (b) SYSC 3.2.6I R does not apply if he has no <i>employees</i>; and (5) SYSC 2 and SYSC 3 do not apply to an <i>incoming ECA provider</i> acting as such. (6) Except as provided for in (7), SYSC 2 and SYSC 3 do not apply to a <i>firm</i> in relation to <i>benchmark activities</i>. (7) SYSC 2 and SYSC 3 continue to apply to a <i>person</i> with <i>permission</i> to carry on the <i>regulated activity</i> of <i>administering a specified benchmark</i> acting as such.
1.1A	G	<ol style="list-style-type: none"> (1) As a consequence of the <i>benchmarks regulation</i>, the <i>regulated activity</i> referred to in SYSC 1 Annex 1 1.1R(7) will cease to apply in certain circumstances (see SUP TP 10 for an explanation of those circumstances). (2) The effect of SYSC 1 Annex 1 1.1R(7) is that SYSC 2 and SYSC 3 continue to apply to <i>firms</i> which still have <i>permission</i> to carry on the <i>regulated activity</i> in SYSC 1 Annex 1 1.1R(7) when carrying on that activity.
1.2	G	<ol style="list-style-type: none"> (1) Question 12 in SYSC 2.1.6 G contains guidance on SYSC 1 Annex 1.1.1R(1)(b) and SYSC 1 Annex 1.1.1R(1)(c).

Part 1		Application of SYSC 2 and SYSC 3 to an insurer, a UK ISPV, a managing agent and the Society
		<p>(2) SYSC 1 Annex 1.1.8R further restricts the territorial application of SYSC 2 and SYSC 3 for an <i>incoming EEA firm</i> or an <i>incoming Treaty firm</i>.</p> <p>(3) SYSC 1 Annex 1.1.1R(3) puts an <i>incoming EEA firm</i> on an equal footing with unauthorised <i>overseas persons</i> who utilise the <i>overseas persons</i> exclusions in article 72 of the <i>Regulated Activities Order</i>.</p> <p>(4) Further <i>guidance</i> on which matters are reserved to a <i>firm's Home State regulator</i> can be found at SUP 13A Annex 2.</p>
	What?	
1.3	R	<p>SYSC 2 and SYSC 3 apply with respect to the carrying on of:</p> <p>(1) <i>regulated activities</i>;</p> <p>(2) activities that constitute <i>dealing in investments as principal</i>, disregarding the exclusion in article 15 of the <i>Regulated Activities Order</i> (Absence of holding out etc);</p> <p>(3) <i>ancillary activities</i> in relation to <i>designated investment business</i>, <i>home finance activity</i> and <i>insurance distribution activity</i>; and</p> <p>(4) activities directly arising from <i>insurance risk transformation</i>;</p> <p>except that SYSC 3.3 applies as described in SYSC 1 Annex 1.3AR and SYSC 3.2.6A R to SYSC 3.2.6J G do not apply as described in SYSC 1 Annex 1.1.4R.</p>
1.3A	R	<p>SYSC 3.3 only applies in relation to the carrying on of <i>insurance distribution activities</i>.</p>
1.4	R	<p>SYSC 3.2.6A R to SYSC 3.2.6J G do not apply:</p> <p>(1) with respect to the activities described in SYSC 1 Annex 1.1.3R(2) and SYSC 1 Annex 1.1.3R(3); or</p> <p>(2) in relation to the following <i>regulated activities</i>:</p> <p>(a) <i>general insurance business</i>;</p> <p>(aa) <i>insurance risk transformation</i>;</p> <p>(b) <i>insurance distribution activity</i> in relation to a <i>general insurance contract</i> or <i>pure protection contract</i>;</p> <p>(c) <i>long-term insurance business</i> which is outside the <i>Solvency II Directive</i> (unless it is otherwise one of the <i>regulated activities</i> specified in this rule);</p> <p>(d) business relating to contracts which are within the <i>Regulated Activities Order</i> only because they fall within paragraph (e) of the definition of "contract of insurance" in article 3 of that Order;</p> <p>(e) (i) arranging, by the <i>Society</i>, of deals in <i>general insurance contracts</i> written at Lloyd's; and</p> <p>(ii) managing the underwriting capacity of a Lloyd's syndicate as a managing agent at Lloyd's;</p> <p>(f) <i>home finance mediation activity</i> and <i>administering a home finance transaction</i>; and</p> <p>(g) <i>reversion activity</i>; or</p> <p>(3) to a <i>pure reinsurer</i>; or</p> <p>(4) in relation to activities directly arising from <i>insurance risk transformation</i>.</p>

Part 1		Application of SYSC 2 and SYSC 3 to an insurer, a UK ISPV, a managing agent and the Society
1.5	R	<p>SYSC 2 and SYSC 3, except SYSC 3.2.6A R to SYSC 3.2.6J G, also apply with respect to the <i>communication and approval of financial promotions</i> which:</p> <p>(1) if <i>communicated</i> by an <i>unauthorised person</i> without <i>approval</i> would contravene section 21(1) of the <i>Act</i> (Restrictions on financial promotion); and</p> <p>(2) may be <i>communicated</i> by a <i>firm</i> without contravening section 238(1) of the <i>Act</i> (Restrictions on promotion of collective investment schemes).</p>
1.6	R	<p>SYSC 2 and SYSC 3, except SYSC 3.2.6A R to SYSC 3.2.6J G, also:</p> <p>(1) apply with respect to the carrying on of <i>unregulated activities</i> in a <i>prudential context</i>; and</p> <p>(2) take into account any activity of other members of a <i>group</i> of which the <i>firm</i> is a member.</p>
1.7	G	<p>SYSC 1 Annex 1.1.6R(2) does not mean that inadequacy of a <i>group</i> member's systems and controls will automatically lead to a <i>firm</i> contravening, for example, SYSC 3.1.1 R. Rather, the potential impact of a <i>group</i> member's activities, including its systems and controls, and any systems and controls that operate on a <i>group</i> basis, will be relevant in determining the appropriateness of the <i>firm's</i> own systems and controls.</p>
Where?		
1.8	R	<p>SYSC 2 and SYSC 3 apply with respect to activities carried on from an establishment maintained by the <i>firm</i> (or its <i>appointed representative</i> or, where applicable, its <i>tied agent</i>) in the <i>United Kingdom</i> unless another applicable <i>rule</i> which is relevant to the activity has a wider territorial scope, in which case SYSC 2 and SYSC 3 apply with that wider scope in relation to the activity described in that <i>rule</i>.</p>
1.8A	R	<p>(1) SYSC 3, except SYSC 3.2.6AR to SYSC 3.2.6JG, and</p> <p>(2) for a <i>UK domestic firm</i>, SYSC 2;</p> <p>also apply in a <i>prudential context</i> with respect to activities wherever they are carried on.</p>
1.9	R	<p>SYSC 2 and SYSC 3, except SYSC 3.2.6A R to SYSC 3.2.6J G, also apply in a <i>prudential context</i> to a <i>UK domestic firm</i> with respect to activities wherever they are carried on.</p>
1.10	R	<p>SYSC 3, except SYSC 3.2.6A R to SYSC 3.2.6J G, also applies in a <i>prudential context</i> to an <i>overseas firm</i> (other than an <i>incoming EEA firm</i> or an <i>incoming Treaty firm</i>) with respect to activities wherever they are carried on.</p>
1.11	G	<p>(1) In considering whether to take regulatory action under SYSC 2 or SYSC 3 in relation to activities carried on outside the <i>United Kingdom</i>, the <i>appropriate regulator</i> will take into account the standards expected in the market in which the <i>firm</i> is operating.</p> <p>(2) Most of the <i>rules</i> in SYSC 3 are linked to other requirements and standards under the <i>regulatory system</i> which have their own territorial limitations so that those <i>SYSC rules</i> are similarly limited in scope.</p>
Actions for damages		
1.12	R	<p>A contravention of the <i>rules</i> in SYSC 2 and SYSC 3 does not give rise to a right of action by a <i>private person</i> under section 138D of the <i>Act</i> (and each of those <i>rules</i> is specified under section 138D(3) of the <i>Act</i> as a provision giving rise to no such right of action).</p>
Part 2		Application of the common platform requirements
Who?		

Part 2	Application of the common platform requirements	
2.1	R	The <i>common platform requirements</i> apply to every <i>firm</i> apart from an <i>insurer</i> , a <i>UK ISPV</i> , a <i>managing agent</i> and <i>the Society</i> unless provided otherwise in a specific rule.
2.2	R	For an <i>incoming EEA firm</i> or an <i>incoming Treaty firm</i> : <ol style="list-style-type: none"> (1) the rule on responsibility of senior personnel (SYSC 4.3) does not apply; (2) the <i>common platform requirements</i> apply only in so far as responsibility for the matter in question is not reserved by an <i>EU instrument</i> to the <i>firm's Home State regulator</i>; (3) for an <i>incoming EEA firm</i> which has <i>permission</i> only for <i>cross-border services</i> and which does not carry on <i>regulated activities</i> in the <i>United Kingdom</i>, the <i>common platform requirements</i> do not apply; (4) for an <i>incoming Treaty firm</i> which has <i>permission</i> only for <i>cross-border services</i> and which does not carry on <i>regulated activities</i> in the <i>United Kingdom</i>, the <i>common platform requirements on financial crime</i> do not apply.
2.3	R	For a <i>sole trader</i> : <ol style="list-style-type: none"> (1) SYSC 4.3 and 4.4 do not apply as long as he does not employ any <i>person</i> who is required to be approved under section 59 of the <i>Act</i> (Approval for particular arrangements); (2) SYSC 4.1.4 R and SYSC 6.3.9 R do not apply if he has no <i>employees</i>.
2.4	R	For a <i>UCITS qualifier</i> : <ol style="list-style-type: none"> (1) the rule on responsibility of senior personnel (SYSC 4.3) does not apply; and (2) the <i>common platform requirements</i> apply in relation to the <i>communication</i> and <i>approval</i> of <i>financial promotions</i> only as set out in SYSC 1 Annex 1.2.12R. <p>[Note: section 266 of the <i>Act</i>.]</p>
2.4A	R	For an <i>AIFM qualifier</i> : <ol style="list-style-type: none"> (1) the rule on responsibility of senior personnel (SYSC 4.3) does not apply; and (2) the <i>common platform requirements</i> apply in relation to the <i>communication</i> and <i>approval</i> of <i>financial promotions</i> only as set out in SYSC 1 Annex 1, 2.12R.
2.5	R	For an <i>authorised professional firm</i> when carrying on <i>non-mainstream regulated activities</i> , the <i>common platform requirements on financial crime</i> , <i>conflicts of interest</i> and <i>Chinese walls</i> do not apply.
2.5A	R	The <i>common platform requirements on financial crime</i> do not apply to a <i>firm</i> for which a professional body listed in Schedule 1 to the <i>Money Laundering Regulations</i> , and not the <i>FCA</i> , acts as the supervisory authority for the purposes of those regulations.
2.6	R	The <i>common platform requirements</i> do not apply to an <i>incoming ECA provider</i> acting as such.
2.6A	R	The <i>common platform requirements</i> do not apply to a <i>firm</i> (including an <i>incoming EEA firm</i>) in relation to its carrying on of <i>auction regulation bidding</i> , except for: <ol style="list-style-type: none"> (1) SYSC 6.1.1 R which only applies to the extent that it relates to the obligation to establish, implement and maintain adequate policies and procedures for countering the risk that the <i>firm</i> (including its managers, employees and <i>appointed representatives</i>) might be used to further <i>financial crime</i>; and

Part 2	Application of the common platform requirements	
2.6B	R	<p>(2) SYSC 6.3 (Financial crime).</p> <p>Subject to SYSC 1 Annex 1 2.6CR, the <i>common platform requirements</i> do not apply to a <i>full-scope UK AIFM</i> of an <i>unauthorised AIF</i> except for:</p> <p>(1) SYSC 4.1.1 R to SYSC 4.1.2 R and SYSC 4.1.2B R to SYSC 4.1.2D R;</p> <p>(2) SYSC 4.2.1 R, SYSC 4.2.1B R, SYSC 4.2.2 R to SYSC 4.2.5 G, SYSC 4.2.7 R and SYSC 4.2.8 G;</p> <p>(3) SYSC 6.1.1 R, which only applies to the extent that it relates to the obligation to establish, implement and maintain adequate policies and procedures for countering the risk that the <i>firm</i> (including its managers and <i>employees</i>) might be used to further <i>financial crime</i>;</p> <p>(4) SYSC 6.1.4B G</p> <p>(5) SYSC 6.3;</p> <p>(6) SYSC 7.1.7BA G</p> <p>(7) SYSC 10.1.1 R and SYSC 10.1.22 R to SYSC 10.1.26 R; and</p> <p>(8) SYSC 10.2.</p>
2.6C	R	The <i>common platform requirements</i> apply to an <i>AIFM investment firm</i> which is a <i>full-scope UK AIFM</i> in respect of its <i>MiFID business</i> in line with Column A in Table A of Part 3.
2.6D	R	The <i>common platform requirements</i> apply to a <i>full-scope UK AIFM</i> of an <i>authorised AIF</i> in line with Column A++ in Table A of Part 3.
2.6E	G	The <i>common platform requirements</i> apply to a <i>small authorised UK AIFM</i> in line with Column B in Table A of Part 3 (unless such a <i>firm</i> is also a <i>common platform firm</i> , in which case they must comply with Column A).
2.6F	R	<p>The <i>common platform requirements</i> do not apply to an <i>incoming EEA AIFM branch</i> in respect of its management of a <i>UK AIF</i>, except for:</p> <p>(1) those <i>common platform requirements</i> which are <i>AIFMD host state requirements</i>;</p> <p>(2) SYSC 6.1.1 R which only applies to the extent that it relates to the obligation to establish, implement and maintain adequate policies and procedures for countering the risk that the <i>firm</i> (including its managers and <i>employees</i>) might be used to further <i>financial crime</i>; and</p> <p>(3) SYSC 6.3.</p>
2.6G	R	<p>(1) Except as provided for in (2), the <i>common platform requirements</i> do not apply to a <i>firm</i> in relation to <i>benchmark activities</i>.</p> <p>(2) The <i>common platform requirements</i> continue to apply to a person with <i>permission</i> to carry on the <i>regulated activity</i> of <i>administering a specified benchmark</i> acting as such.</p>
2.6H	G	<p>(1) As a consequence of the <i>benchmarks regulation</i>, the <i>regulated activity</i> referred to in SYSC 1 Annex 1 2.6GR(2) will cease to apply in certain circumstances (see SUP TP 10 for an explanation of those circumstances).</p> <p>(2) The effect of SYSC 1 Annex 1 2.6GR(2) is that the <i>common platform requirements</i> continue to apply to <i>firms</i> which still have <i>permission</i> to carry on the <i>regulated activity</i> in SYSC 1 Annex 1 2.6GR(2) when carrying on that activity.</p>
2.7	G	<i>EEA MiFID investment firms</i> are reminded in particular that they must comply with the <i>common platform record-keeping requirements</i> in relation to a <i>branch</i> in the <i>United Kingdom</i> .

Part 2		Application of the common platform requirements									
2.7A	G	<p><i>EEA UCITS management companies</i> are also reminded that they must comply with:</p> <ol style="list-style-type: none"> (1) the <i>common platform requirements</i> indicated in Column A+ (Application to a management company) in Table A in Part 3 of this Annex; (2) the <i>common platform record-keeping requirements</i>; and (3) the <i>common platform requirements on financial crime</i>; <p>in relation to activities carried on from a <i>branch</i> in the <i>United Kingdom</i>. Where the <i>common platform requirement</i> addresses matters within the scope of article 12 of the <i>UCITS Directive</i>, an <i>EEA UCITS management company</i> should note that those matters may also be subject to the rules of its <i>Home State regulator</i>.</p> <p>[Note: articles 12(1)(b), 14(1)(c), 14(1)(d), 17(4), 18(3) and 19(1) of the <i>UCITS Directive</i> and articles 4(1)(e), 10(1), 10(2) and 10(3) of the <i>UCITS implementing Directive</i>]</p>									
	What?										
2.8	R	<p>The <i>common platform organisational requirements</i> apply with respect to the carrying on of the following (unless provided otherwise within a specific rule):</p> <ol style="list-style-type: none"> (1) <i>regulated activities</i>; (2) activities that constitute <i>dealing in investments as principal</i>, disregarding the exclusion in article 15 of the <i>Regulated Activities Order</i> (Absence of holding out etc); (3) <i>ancillary activities</i>; (4) in relation to <i>MiFID business, ancillary services</i>; and (5) <i>collective portfolio management</i>. 									
2.8A	R	<ol style="list-style-type: none"> (1) Subject to (2), (3) and (5), in SYSC 1 Annex 1 2.8R, articles 1(2), 21 to 25, 30 to 32 and 72 of the <i>MiFID Org Regulation</i> (including any relevant definitions in <i>MiFID, MiFIR</i> and the <i>MiFID Org Regulation</i>) apply as if they were <i>rules or guidance</i> in accordance with Part 3 (Tables summarising the application of the common platform requirements to different types of firm) to a <i>firm's</i> carrying on of the business set out in SYSC 1 Annex 1 2.8R which is not <i>MiFID business</i> or a <i>structured deposits regulated activity</i>. (1A) Subject to (2), (3) and (6), articles 33 to 35 of the <i>MiFID Org Regulation</i> (including any relevant definitions in <i>MiFID, MiFIR</i> and the <i>MiFID Org Regulation</i>) apply as if they were <i>rules or guidance</i> in accordance with Part 3 (Tables summarising the application of the common platform requirements to different types of firm) to a <i>firm's</i> carrying on of the business set out in SYSC 10.1.1R which is not <i>MiFID business</i> or a <i>structured deposits regulated activity</i>. (2) References in Column (1) to a word or phrase used in the <i>MiFID Org Regulation</i> for the purpose of (1) have the meaning indicated in Column (2) of the table below: <table border="1" style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th>(1)</th> <th>(2)</th> </tr> </thead> <tbody> <tr> <td>"ancillary services"</td> <td><i>ancillary services</i> or <i>ancillary activities</i> associated with the <i>firm's regulated activities</i></td> </tr> <tr> <td>"client" and "potential client"</td> <td><i>client</i></td> </tr> <tr> <td>"competent authority"</td> <td><i>FCA</i></td> </tr> </tbody> </table> 		(1)	(2)	"ancillary services"	<i>ancillary services</i> or <i>ancillary activities</i> associated with the <i>firm's regulated activities</i>	"client" and "potential client"	<i>client</i>	"competent authority"	<i>FCA</i>
(1)	(2)										
"ancillary services"	<i>ancillary services</i> or <i>ancillary activities</i> associated with the <i>firm's regulated activities</i>										
"client" and "potential client"	<i>client</i>										
"competent authority"	<i>FCA</i>										

Part 2		Application of the common platform requirements	
		"investment firm" and "firm"	<i>firm</i>
		"investment service" and "investment services and activities"	<i>designated investment business</i>
		"portfolio management" and "portfolio management service"	<i>managing investments</i>
		"Directive 2014/65/EU"; "Regulation (EU) No 600/2014"; "Directive 2014/57/EU" and "Regulation (EU) No 596/2014" and their implementing measures	<i>regulatory system</i> , except where the reference is to a specific provision of a Directive or Regulation in Column (1) in which case the reference must be read as referring to such specific provision
		"shall"	must
	(3)	Any references within the <i>MiFID Org Regulation</i> for the purpose of (1) to other provisions of <i>EU</i> law must be interpreted in light of this <i>rule</i> .	
	(4)	This <i>rule</i> does not apply to a <i>collective portfolio management investment firm</i> in relation to the <i>firm's</i> business other than its <i>MiFID business</i> .	
	(5)	The requirements in article 72 of the <i>MiFID Org Regulation</i> do not apply to a <i>firm</i> to the extent that article 19 of the <i>IDD Regulation</i> applies to the <i>firm</i> .	
	(6)	<i>SYSC 1 Annex 1 2.8R(1A)</i> does not apply to a <i>firm</i> to the extent that articles 3 – 7 of the <i>IDD Regulation</i> are directly applicable to the <i>firm</i> (see <i>SYSC 1 Annex 1 3.1AG</i>).	
		[Note: The <i>MiFID Org Regulation</i> can be found at: http://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32017R0565&from=EN .]	
2.8B	G	The purpose of <i>SYSC 1 Annex 1 2.8R</i> and <i>SYSC 1 Annex 1 2.8AR</i> is that the <i>common platform organisational requirements</i> and the <i>common platform requirements</i> on conflicts of interest also apply when carrying on any of the activities listed in <i>SYSC 1 Annex 1 2.8R</i> or <i>SYSC 10.1.1R</i> respectively even where they do not involve <i>investment services and/or activities</i> and, where relevant, <i>ancillary services</i> (unless provided otherwise within a specific <i>rule</i>).	
2.8C	G	<i>SYSC 1 Annex 1 2.8AR(3)</i> has the effect that, where the requirement in the <i>MiFID Org Regulation</i> that is a <i>common platform organisational requirement</i> or a <i>common platform requirement</i> on conflicts of interest includes a reference or cross reference to another part of the <i>MiFID Org Regulation</i> , that reference or cross reference is given the same meaning as for the purposes of <i>SYSC 1 Annex 1 2.8AR</i> .	
2.8D	G	For the purpose of <i>SYSC 1 Annex 1 2.8AR</i> , a <i>firm</i> should apply any <i>guidance</i> published by the <i>FCA</i> that assists with interpreting the definitions in <i>MiFID</i> , <i>MiFIR</i> and the <i>MiFID Org Regulation</i> .	
2.9	G	The application of the provisions on the conflicts of interest in <i>SYSC 10</i> is set out in <i>SYSC 10.1.-4G</i> to <i>SYSC 10.1.1AR</i> and <i>SYSC 10.2.1 R</i>	
2.10	R	The provisions on record-keeping in <i>SYSC 9</i> and articles 21 and 72 of the <i>MiFID Org Regulation</i> apply as set out in <i>SYSC 1 Annex 1.2.8R</i> and <i>SYSC 1 Annex 1.2.8AR</i> , except that they only apply to the carrying on of <i>ancillary activities</i> that are performed in relation to:	
	(1)	<i>designated investment business</i> ;	
	(2)	<i>home finance activity</i> ;	

Part 2		Application of the common platform requirements	
2.11	R	(3)	<i>insurance distribution activity;</i>
		(4)	<i>credit-related regulated activity.</i>
		The <i>common platform requirements on financial crime</i> apply as set out in SYSC 1 Annex 1 2.8R, except that they do not apply:	
		(1)	with respect to:
		(a)	activities that constitute <i>dealing in investments as principal</i> , disregarding the exclusion in article 15 of the <i>Regulated Activities Order</i> (Absence of holding out etc); and
		(b)	<i>ancillary activities</i> ; or
		(2)	in relation to the following <i>regulated activities</i> :
		(a)	<i>general insurance business</i> ;
		(b)	<i>insurance distribution activity</i> in relation to a <i>general insurance contract</i> or <i>pure protection contract</i> ;
		(c)	<i>long-term insurance business</i> which is outside the <i>Solvency II Directive</i> (unless it is otherwise one of the <i>regulated activities</i> specified in this rule);
		(d)	business relating to contracts which are within the <i>Regulated Activities Order</i> only because they fall within paragraph (e) of the definition of "contract of insurance" in article 3 of that Order;
		(e)	(i) arranging by the <i>Society</i> of deals in <i>general insurance contracts</i> written at Lloyd's; and
			(ii) managing the underwriting capacity of a Lloyd's syndicate as a managing agent at Lloyd's;
		(f)	<i>home finance mediation activity</i> and <i>administering a home finance transaction</i> ;
		(g)	<i>reversion activity</i> ; and
		(h)	<i>meeting of repayment claims</i> and <i>managing dormant account funds</i> (including the investment of such funds).
2.12	R	The <i>common platform organisational requirements</i> , except the <i>common platform requirements on financial crime</i> , also apply with respect to the <i>communication</i> and <i>approval of financial promotions</i> which:	
		(1)	if <i>communicated</i> by an <i>unauthorised person</i> without <i>approval</i> would contravene section 21(1) of the Act (Restrictions on financial promotion); and
		(2)	may be <i>communicated</i> by a <i>firm</i> without contravening section 238(1) of the Act (Restrictions on promotion of collective investment schemes).
2.13	R	The <i>common platform organisational requirements</i> , except the <i>common platform requirements on financial crime</i> , also:	
		(1)	apply with respect to the carrying on of <i>unregulated activities</i> in a <i>prudential context</i> ; and
		(2)	take into account any activity of other members of a <i>group</i> of which the <i>firm</i> is a member.

Part 2	Application of the common platform requirements	
2.13A	R	SYSC 6.3 only applies to a <i>firm</i> in relation to carrying on a <i>credit-related regulated activity</i> or <i>regulated claims management activity</i> , or operating an <i>electronic system in relation to lending</i> , to which the <i>Money Laundering Regulations</i> also apply.
2.13B	R	SYSC 6.3.8 R and SYSC 6.3.9 R do not apply to a <i>firm</i> with a <i>limited permission for entering into a regulated credit agreement as lender</i> .
2.13C	G	The <i>persons</i> to whom the <i>Money Laundering Regulations</i> apply are set out in regulation 10 of the <i>Money Laundering Regulations</i> . The <i>persons</i> include <i>credit institutions</i> (for example, banks) and financial institutions (for example, <i>persons</i> who carry on <i>regulated activities</i> which consist of or include <i>entering into regulated credit agreements as lender</i>). These expressions are defined in regulation 10 of those Regulations.
2.14	G	SYSC 1 Annex 1.2.13R(2) does not mean that inadequacy of a <i>group</i> member's systems and controls will automatically lead to a <i>firm</i> contravening any of the <i>common platform organisational requirements</i> . Rather, the potential impact of a <i>group</i> member's activities, including its systems and controls, and any systems and controls that operate on a <i>group</i> basis, will be relevant in determining the appropriateness of the <i>firm's</i> own systems and controls.
2.14A	G	The systems and control requirements in article 17 of <i>MiFID</i> for the following are in chapter 7A of the Market Conduct sourcebook (<i>MAR</i>): (1) <i>algorithmic trading</i> ; (2) <i>direct electronic access to a trading venue</i> ; and (3) acting as a general clearing member of a <i>trading venue</i> .
2.14B	G	<i>Firms</i> should refer to articles 38 to 42 of the <i>MiFID Org Regulation</i> for additional organisational requirements for underwriting and placing.
		Where?
2.15	R	The <i>common platform requirements</i> , except the <i>common platform record-keeping requirements</i> , apply to a <i>firm</i> in relation to activities which: (1) (except for <i>regulated claims management activities</i> and ancillary activities) are carried on by it from an establishment in the <i>United Kingdom</i> ; or (2) are, or are ancillary to, <i>regulated claims management activities</i> .
2.16	R	The <i>common platform requirements</i> , except the <i>common platform requirements on financial crime</i> and the <i>common platform record-keeping requirements</i> , apply to a <i>firm</i> that is not a <i>UK UCITS management company</i> in relation to <i>passport activities</i> carried on by it from a <i>branch</i> in another <i>EEA State</i> .
2.16A	R	(1) The <i>common platform requirements</i> referred to in Column A+ in Table A of Part 3 (below) apply to a <i>UK UCITS management company</i> in relation to <i>passport activities</i> carried on by it from a <i>branch</i> in another <i>EEA State</i> . (2) Any other <i>common platform requirement</i> applies to a <i>UK UCITS management company</i> in relation to <i>passport activities</i> carried on by it from a <i>branch</i> in another <i>EEA State</i> to the extent that the requirement addresses matters within the scope of article 12 of the <i>UCITS Directive</i> .
2.16B	G	The matters referred to in paragraph 2.16AR of this Annex may also be subject to the rules of the <i>UK UCITS management company's Host State regulator</i> .

Part 2		Application of the common platform requirements
2.16C	R	The <i>common platform requirements</i> apply to a <i>full-scope UK AIFM</i> in respect of its management of an <i>AIF</i> where carried on from an establishment in the <i>UK</i> .
2.16D	R	The <i>common platform requirements</i> , except those which are <i>AIFMD host state requirements</i> , apply to a <i>full-scope UK AIFM</i> in respect of its management of an <i>EEA AIF</i> from a <i>branch</i> in another <i>EEA State</i> .
2.16E	R	The <i>common platform requirements</i> apply to an <i>AIFM investment firm</i> which is a <i>full-scope UK AIFM</i> in respect of its <i>MiFID business</i> where carried on from an establishment in the <i>UK</i> .
2.16F	R	The <i>common platform requirements</i> , except the <i>common platform requirements on financial crime</i> and the <i>common platform record-keeping requirements</i> , apply to an <i>AIFM investment firm</i> in respect of its <i>MiFID business</i> where carried on from a <i>branch</i> in another <i>EEA State</i> .
2.17	R	<p>The <i>common platform record-keeping requirements</i> apply to activities which:</p> <p>(1) (except for <i>regulated claims management activities</i> and ancillary activities) are carried on by it from an establishment in the <i>United Kingdom</i>; or</p> <p>(2) are, or are ancillary to, <i>regulated claims management activities</i>.</p> <p>If, however, another applicable <i>rule</i> which is relevant to the activity has a wider territorial scope, the <i>common platform record-keeping requirements</i> apply with that wider scope in relation to the activity described in that <i>rule</i>.</p> <p>[Note: article 16(11) first paragraph of <i>MiFID</i>]</p>
2.17A	G	<p>For an activity to amount to a <i>regulated claims management activity</i> it must be carried on in <i>Great Britain</i> (see PERG 2.4A). Subject to the exception for <i>common platform record-keeping requirements</i> in paragraph 2.17R of this Annex, the application of the <i>common platform requirements</i> to <i>firms</i> which carry on <i>regulated claims management activities</i> (and ancillary activities) depends on whether the activity is carried on in <i>Great Britain</i> rather than whether it is carried on from an establishment maintained in the <i>United Kingdom</i>.</p> <p>The <i>common platform organisational requirements</i>, except the <i>common platform requirements on financial crime</i>, also apply in a <i>prudential context</i> to a <i>UK domestic firm</i> and to an <i>overseas firm</i> (other than an <i>incoming EEA firm</i> or an <i>Incoming Treaty firm</i>) with respect to activities wherever they are carried on.</p>
2.18A	G	<p>SYSC 6.1.1R on systems and controls for countering the risk that a <i>firm</i> might be used to further <i>financial crime</i> is:</p> <p>(1) a <i>common platform organisational requirement</i>, not a <i>common platform requirement on financial crime</i>; and</p> <p>(2) subject to the application, amongst other provisions, of SYSC 1 Annex 1 2.13R, SYSC 1 Annex 1 2.16R and SYSC 1 Annex 1 2.18R.</p>
Actions for damages		
2.19	R	A contravention of a <i>rule</i> in the <i>common platform requirements</i> does not give rise to a right of action by a <i>private person</i> under section 138D of the <i>Act</i> (and each of those <i>rules</i> is specified under section 138D(3) of the <i>Act</i> as a provision giving rise to no such right of action).

Part 3		Tables summarising the application of the common platform requirements to different types of firm	
3.1	G	The <i>common platform requirements</i> apply as described in the following table (subject to the provisions in Part 2 of this Annex (Application of the common platform requirements)).	
		Type of firm	Common platform requirements
		<i>Common platform firm</i>	SYSC 1 Annex 1 3.2G, SYSC 1 Annex 1 3.2-AR and SYSC 1 Annex 1 3.2-BR
		<i>Management company</i>	SYSC 1 Annex 1 3.2AG
		<i>Full-scope UK AIFM of an authorised AIF</i>	SYSC 1 Annex 1 3.2BR
		<i>MiFID optional exemption firm</i>	SYSC 1 Annex 1 3.2CR
		<i>Third country firm</i>	SYSC 1 Annex 1 3.2CR
		All other firms (apart from <i>insurers, managing agents, the Society, full-scope UK AIFMs of unauthorised AIFs, MiFID optional exemption firms and third country firms</i>)	SYSC 1 Annex 1.3.3R
3.1A	G	The <i>IDD Regulation</i> is directly applicable to a firm when carrying on <i>insurance distribution</i> in relation to <i>insurance-based investment products</i> . Articles 3 to 7 of the <i>IDD Regulation</i> are reproduced in SYSC 10.1A for information for these firms.	
Common platform firm			
3.2	G	For a <i>common platform firm</i> (other than a <i>dormant account fund operator</i> not subject to <i>MiFID</i>):	
		(1)	SYSC 4 to SYSC 10 apply in accordance with Column A in Table A below; and
		(2)	articles 1(2), 21 to 25, 30 to 35 and 72 of the <i>MiFID Org Regulation</i> are directly applicable to the firm.
3.2-A	R	For a <i>common platform firm</i> (other than a <i>dormant account fund operator</i> not subject to <i>MiFID</i>), articles 1(2), 21 to 25, 30 to 35 and 72 of the <i>MiFID Org Regulation</i> apply to the firm's business other than <i>MiFID business</i> or <i>structured deposits regulated activities</i> as if the <i>MiFID Org Regulation</i> applied to the firm as rules in accordance with SYSC 1 Annex 1 2.8R and SYSC 1 Annex 1 2.8AR.	
3.2-B	R	For a <i>common platform firm</i> that is a <i>dormant account fund operator</i> and is not subject to <i>MiFID</i> :	
		(1)	SYSC 4 to SYSC 10 apply in accordance with Column A in Table A below; and
		(2)	articles 1(2), 21 to 25, 30 to 35 and 72 of the <i>MiFID Org Regulation</i> apply as if the <i>MiFID Org Regulation</i> applied to the firm as rules in accordance with SYSC 1 Annex 1 2.8R and SYSC 1 Annex 1 2.8AR.
Management company			
3.2A	G	For a <i>management company</i> , the <i>common platform requirements</i> in SYSC 4 to SYSC 10 apply in accordance with Column A+ in Table A below.	
Full-scope UK AIFM of an authorised AIF			

Part 3 Tables summarising the application of the common platform requirements to different types of firm		
3.2B	R	For a <i>full-scope UK AIFM</i> of an <i>authorised AIF</i> , the <i>common platform requirements</i> in SYSC 4 to SYSC 10 apply in accordance with Column A++ in Table A below.
MiFID optional exemption firm and a third country firm		
3.2C	R	For a <i>MiFID optional exemption firm</i> and a <i>third country firm</i> : (1) SYSC 4 to SYSC 10 apply as <i>rules</i> or as <i>guidance</i> in accordance with Table B below in the following way: (a) where a <i>rule</i> is shown modified as 'Guidance', it should be read as <i>guidance</i> (as if "should" appeared in that <i>rule</i> instead of "must"); and (b) the provision should be applied in a proportionate manner, taking into account the nature, scale and complexity of the <i>firm's</i> business; and (2) articles 1(2), 21 to 25, 30 to 32 and 72 of the <i>MiFID Org Regulation</i> apply as if the <i>MiFID Org Regulation</i> applied to the <i>firm</i> as <i>rules</i> (in accordance with SYSC 1 Annex 1 2.8R and SYSC 1 Annex 1 2.8AR) or as <i>guidance</i> in accordance with Part 1 of Table C below. Part 2 of Table C sets out those articles of the <i>MiFID Org Regulation</i> .
3.2D	R	(1) Subject to (2), SYSC 4.3A.6R, SYSC 4.3A.8R and SYSC 7.1.18R apply to a <i>MiFID optional exemption firm</i> that is 'significant' as a <i>rule</i> or as <i>guidance</i> in accordance with SYSC 1 Annex 1 3.2CR. (2) In (1), 'significant' means a <i>MiFID optional exemption firm</i> that meets one of more of the conditions in paragraphs (1) to (5) of IFPRU 1.2.3R and related <i>rules</i> and <i>guidance</i> .
Other firms		
3.2E	R	SYSC 1 Annex 1 3.3R does not apply to the following: (1) <i>insurers</i> and <i>UK ISPVs</i> ; (2) <i>managing agents</i> ; (3) the <i>Society</i> ; (4) <i>full-scope UK AIFMs</i> of <i>unauthorised AIFs</i> ; (5) <i>MiFID optional exemption firms</i> ; and (6) <i>third country firms</i> .
3.3	R	For all other <i>firms</i> : (1) SYSC 4 to SYSC 10 apply as <i>rules</i> or as <i>guidance</i> in accordance with Column B in Table A below in the following way: (a) where a <i>rule</i> is shown modified in Column B as 'Guidance', it should be read as <i>guidance</i> (as if "should" appeared in that <i>rule</i> instead of "must"); and (b) the provision should be applied in a proportionate manner, taking into account the nature, scale and complexity of the <i>firm's</i> business; and

Part 3	Tables summarising the application of the common platform requirements to different types of firm	
	(2)	articles 1(2), 21 to 25, 30 to 35 and 72 of the <i>MiFID Org Regulation</i> do not apply.
3.3A	R	

Table A: Application of the common platform requirements in SYSC 4 to SYSC 10

Provision SYSC 4	COLUMN A			COLUMN B
	Application to a common platform firm other than to a UCITS investment firm	COLUMN A+ Application to a UCITS management company	COLUMN A++ Application to a full-scope UK AIFM of an authorised AIF	Application to all other firms apart from insurers, UK ISPVs, managing agents, the Society, full-scope UK AIFMs of unauthorised AIFs, MiFID optional exemption firms and third country firms
SYSC 4.1.-2G	Guidance	Not applicable save in relation to a <i>UCITS investment firm</i> and its <i>MiFID business</i>	Not applicable	Not applicable
SYSC 4.1.-1G	Not applicable	Not applicable	Not applicable	Not applicable
SYSC 4.1.1 R	Rule	Rule	Rule	Rule
SYSC 4.1.1A R	Not applicable	Not applicable	Rule	Not applicable
SYSC 4.1.1B R	Not applicable	Not applicable	Rule	Not applicable
SYSC 4.1.1C R	Rule for a <i>BIPRU firm</i>	Rule for a <i>BIPRU firm</i> that is a <i>UCITS investment firm</i>	Not applicable	<i>Third country BIPRU firms</i> : Rule Other <i>firms</i> : Not applicable
SYSC 4.1.1DR	Not applicable	Rule	Not applicable	Not applicable
SYSC 4.1.1ER	Not applicable	Rule	Not applicable	Not applicable
SYSC 4.1.1FG	Not applicable	Guidance	Not applicable	Not applicable
SYSC 4.1.2 R	Rule	Rule for a <i>UCITS investment firm</i> ; otherwise guidance	Rule	Guidance
SYSC 4.1.2A G	Not applicable	Guidance for a <i>UCITS firm</i> ; not applicable to a <i>UCITS investment firm</i>	Not applicable	Guidance
SYSC 4.1.2AA R	Rule for a <i>BIPRU firm</i>	Rule for a <i>BIPRU firm</i> that is a <i>UCITS investment firm</i>	Not applicable	Not applicable
SYSC 4.1.2B R	Not applicable	Rule	Rule	Not applicable
SYSC 4.1.2C R	Not applicable		Rule	Not applicable
SYSC 4.1.2D R	Not applicable	Not applicable	Rule	Not applicable
SYSC 4.1.3 R	[deleted]	[deleted]	[deleted]	[deleted]

Provision	COLUMN A Application to a common platform firm other than to a UCITS investment firm	COLUMN A+ Application to a UCITS management company	COLUMN A++ Application to a full-scope UK AIFM of an authorised AIF	COLUMN B Application to all other firms apart from insurers, UK ISPVs, managing agents, the Society, full-scope UK AIFMs of unauthorised AIFs, MiFID optional exemption firms and third country firms
SYSC 4				
SYSC 4.1.4 R	Not applicable	Rule	Not applicable	(1) and (3): Guidance; (2): Rule
SYSC 4.1.4A G	Not applicable	Not applicable	Not applicable	Guidance
SYSC 4.1.5 R	Not applicable	Rule	Not applicable	Not applicable
SYSC 4.1.6 R	Rule	Rule for a <i>UCITS investment firm</i> ; otherwise guidance	Not applicable	Guidance
SYSC 4.1.7 R	Rule <i>CRR firm</i> for a only	Rule	Not applicable	Guidance
SYSC 4.1.7A G	Not applicable	Not applicable	Not applicable	Guidance
SYSC 4.1.8 G	Guidance	Guidance	Guidance	Guidance
SYSC 4.1.9 R	Not applicable	Rule	Not applicable	Not applicable
SYSC 4.1.10 R	Not applicable	Rule	Not applicable	Guidance - except reference to SYSC 4.1.9 R which does not apply to these <i>firms</i>
SYSC 4.1.10A G	Not applicable	Not applicable	Not applicable	Guidance
SYSC 4.1.11 G	Guidance	Guidance	Guidance	Guidance
SYSC 4.1.13 G	Guidance	Guidance	Guidance	Guidance
SYSC 4.1.14 G	Guidance	Guidance	Guidance	Guidance
SYSC 4.2.1 R	Rule	Rule	Rule	Guidance
SYSC 4.2.1A G	Not applicable	Not applicable	Not applicable	Guidance
SYSC 4.2.2 R	Rule	Rule	Rule	Not applicable
SYSC 4.2.3 G - 4.2.5 G	Guidance	Guidance	Guidance	Not applicable
SYSC 4.2.6 R	Rule	Rule for a <i>UCITS investment firm</i> ;	Not applicable	Not applicable

Provision	COLUMN A Application to a common platform firm other than to a UCITS investment firm	COLUMN A+ Application to a UCITS management company	COLUMN A++ Application to a full-scope UK AIFM of an authorised AIF	COLUMN B Application to all other firms apart from insurers, UK ISPVs, managing agents, the Society, full-scope UK AIFMs of unauthorised AIFs, MiFID optional exemption firms and third country firms
SYSC 4		otherwise not applicable		
SYSC 4.2.7 R	Not applicable	Not applicable	Rule	Not applicable
SYSC 4.2.8 G	Not applicable	Not applicable	Rule	Not applicable
SYSC 4.2.9G	[deleted]	[deleted]	[deleted]	[deleted]
SYSC 4.3.1 R	Not applicable	Rule	Not applicable	Rule (but not applicable to <i>incoming EEA firms, incoming Treaty firms or UCITS qualifiers</i>)
SYSC 4.3.2 R	Not applicable	Rule	Not applicable	Guidance (but not applicable to <i>incoming EEA firms, incoming Treaty firms or UCITS qualifiers</i>)
SYSC 4.3.2A G	Not applicable	Not applicable	Not applicable	Guidance (but not applicable to <i>incoming EEA firms, incoming Treaty firms or UCITS qualifiers</i>)
SYSC 4.3.3 G	Guidance	Guidance	Not applicable	Guidance (but not applicable to <i>incoming EEA firms, incoming Treaty firms or UCITS qualifiers</i>)
SYSC 4.3A.-1 R	Rule (except for an <i>AIFM investment firm</i> that is not a <i>CRR firm</i>)	Rule for a <i>CRR firm</i> that is a <i>UCITS investment firm</i>	Not applicable	Not applicable
SYSC 4.3A.1 R	Rule (except for an <i>AIFM investment firm</i> that is not a <i>CRR firm</i>)	Rule for a <i>CRR firm</i> that is a <i>UCITS investment firm</i>	Not applicable	Not applicable
SYSC 4.3A.1AR	Rule (except for an <i>AIFM investment firm</i> that is not a <i>CRR firm</i>)	Rule for a <i>CRR firm</i> that is a <i>UCITS investment firm</i>	Not applicable	Not applicable
SYSC 4.3A.2 R	Rule (except for an <i>AIFM invest-</i>	Rule for a <i>CRR firm</i> that is a <i>UC-</i>	Not applicable	Not applicable

Provision	COLUMN A Application to a common platform firm other than to a UCITS investment firm	COLUMN A+ Application to a UCITS management company	COLUMN A++ Application to a full-scope UK AIFM of an authorised AIF	COLUMN B Application to all other firms apart from insurers, UK ISPVs, managing agents, the Society, full-scope UK AIFMs of unauthorised AIFs, MiFID optional exemption firms and third country firms
SYSC 4				
SYSC 4.3A.2AG	<i>ment firm</i> that is not a <i>CRR firm</i>) Guidance (except for an <i>AIFM investment firm</i> that is not a <i>CRR firm</i>)	<i>ITS investment firm</i> Guidance for a <i>CRR firm</i> that is a <i>UCITS investment firm</i>	Not applicable	Not applicable
SYSC 4.3A.3 R	Rule (except for an <i>AIFM investment firm</i> that is not a <i>CRR firm</i>)	Rule for a <i>CRR firm</i> that is a <i>UC-ITS investment firm</i>	Not applicable	Not applicable
SYSC 4.3A.4 R	Rule (except for an <i>AIFM investment firm</i> that is not a <i>CRR firm</i>)	Rule for a <i>CRR firm</i> that is a <i>UC-ITS investment firm</i>	Not applicable	Not applicable
SYSC 4.3A.5 R	Rule (except for an <i>AIFM investment firm</i> that is not a <i>CRR firm</i>)	Rule for a <i>CRR firm</i> that is a <i>UC-ITS investment firm</i>	Not applicable	Not applicable
SYSC 4.3A.6 R	Rule (except for an <i>AIFM investment firm</i> that is not a <i>CRR firm</i>)	Rule for a <i>CRR firm</i> that is a <i>UC-ITS investment firm</i>	Not applicable	Not applicable
SYSC 4.3A.7 R	Rule (except for an <i>AIFM investment firm</i> that is not a <i>CRR firm</i>)	Rule for a <i>CRR firm</i> that is a <i>UC-ITS investment firm</i>	Not applicable	Not applicable
SYSC 4.3A.8 R	Rule (except for an <i>AIFM investment firm</i> that is not a <i>CRR firm</i>)	Rule for a <i>CRR firm</i> that is a <i>UC-ITS investment firm</i>	Not applicable	Not applicable
SYSC 4.3A.9 R	Rule (except for an <i>AIFM investment firm</i> that is not a <i>CRR firm</i>)	Rule for a <i>CRR firm</i> that is a <i>UC-ITS investment firm</i>	Not applicable	Not applicable
SYSC 4.3A.10 R	Rule (except for an <i>AIFM investment firm</i> that is not a <i>CRR firm</i>)	Rule for a <i>CRR firm</i> that is a <i>UC-ITS investment firm</i>	Not applicable	Not applicable
SYSC 4.3A.11 R	Rule applicable to <i>CRR firms</i>	Rule for a <i>CRR firm</i> that is a <i>UC-ITS investment firm</i>	Not applicable	Not applicable

Provision	COLUMN A Application to a common platform firm other than to a UCITS investment firm	COLUMN A+ Application to a UCITS management company	COLUMN A++ Application to a full-scope UK AIFM of an authorised AIF	COLUMN B Application to all other firms apart from insurers, UK ISPVs, managing agents, the Society, full-scope UK AIFMs of unauthorised AIFs, MiFID optional exemption firms and third country firms
SYSC 4				
SYSC 4.4.1 R	[deleted]	[deleted]	[deleted]	[deleted]
SYSC 4.4.1A R	Not applicable	Not applicable	Not applicable	<p>Rule applies this section only to:</p> <p>(1) an <i>authorised professional firm</i> in respect of its <i>non-mainstream regulated activities</i> unless the <i>firm</i> is also conducting other <i>regulated activities</i> and has appointed <i>approved persons</i> to perform the <i>governing functions</i> with equivalent responsibilities for the <i>firm's non-mainstream regulated activities</i> and other <i>regulated activities</i>;</p> <p>(2) activities carried on by a <i>firm</i> whose principal purpose is to carry on activities other than <i>regulated activities</i> and which is:</p> <p>(a) an <i>oil market participant</i>;</p> <p>(b) a <i>service company</i>;</p> <p>(c) an <i>energy market participant</i>;</p> <p>(d) a wholly-owned subsidiary of:</p> <p>(i) a local authority;</p>

Provision SYSC 4	COLUMN A Application to a common platform firm other than to a UCITS investment firm	COLUMN A+ Application to a UCITS management company	COLUMN A++ Application to a full-scope UK AIFM of an authorised AIF	COLUMN B Application to all other firms apart from insurers, UK ISPVs, managing agents, the Society, full-scope UK AIFMs of unauthorised AIFs, MiFID optional exemption firms and third country firms
				<p>(ii) a registered social landlord;</p> <p>(e) a <i>firm with permission to carry on insurance distribution activity in relation to non-investment insurance contracts but no other regulated activity</i></p> <p>except <i>advising on P2P agreements</i></p> <p>;</p> <p>(2A) a <i>credit firm</i> which holds a <i>limited permission</i> (other than a <i>not-for-profit debt advice body</i>) with respect to the relevant credit activity (as defined in paragraph 2G of Schedule 6 to the Act) for which it has <i>limited permission</i>;</p> <p>(3) an <i>incoming Treaty firm</i>, an <i>incoming EEA firm</i> and a <i>UCITS qualifier</i>, (but only SYSC 4.4.5R (2) applies for these firms); and</p> <p>(4) a <i>sole trader</i>, but only if he employs any <i>person</i> who is required to be approved under section 59</p>

Provision SYSC 4	COLUMN A Application to a common platform firm other than to a UCITS investment firm	COLUMN A+ Application to a UCITS management company	COLUMN A++ Application to a full-scope UK AIFM of an authorised AIF	COLUMN B Application to all other firms apart from insurers, UK ISPVs, managing agents, the Society, full-scope UK AIFMs of unauthorised AIFs, MiFID optional exemption firms and third country firms
SYSC 4.4.2 G	Not applicable	Not applicable	Not applicable	of the Act (Approval for particular arrangements). Guidance only applying to the <i>firms</i> specified in SYSC 4.4.1A R
SYSC 4.4.3 R	Not applicable	Not applicable	Not applicable	Rule only applying to the <i>firms</i> specified in SYSC 4.4.1A R
SYSC 4.4.4 G	Not applicable	Not applicable	Not applicable	Guidance only applying to the <i>firms</i> specified in SYSC 4.4.1A R
SYSC 4.4.5 R	Not applicable	Not applicable	Not applicable	Rule only applying to the <i>firms</i> specified in SYSC 4.4.1A R
SYSC 4.4.6 G	Not applicable	Not applicable	Not applicable	Guidance only applying to the <i>firms</i> specified in SYSC 4.4.1A R
Provision SYSC 5	COLUMN A Application to a common platform firm other than to a UCITS investment firm	COLUMN A+ Application to a UCITS management company	COLUMN A++ Application to a full-scope UK AIFM of an authorised AIF	COLUMN B Application to all other firms apart from insurers, UK ISPVs, managing agents, the Society, full-scope UK AIFMs of unauthorised AIFs, MiFID optional exemption firms and third country firms
SYSC 5.1.-2G	Guidance	Not applicable save in relation to a <i>UCITS investment firm</i> and its <i>MiFID business</i>	Not applicable	Not applicable

Provision	COLUMN A Application to a common platform firm other than to a UCITS investment firm	COLUMN A+ Application to a UCITS management company	COLUMN A++ Application to a full-scope UK AIFM of an authorised AIF	COLUMN B Application to all other firms apart from insurers, UK ISPVs, managing agents, the Society, full-scope UK AIFMs of unauthorised AIFs, MiFID optional exemption firms and third country firms
SYSC 5				
SYSC 5.1.-1G	Not applicable	Not applicable	Not applicable	Not applicable
SYSC 5.1.1 R	Not applicable	Rule	Not applicable	Rule
SYSC 5.1.2 G	Guidance	Guidance	Guidance	Guidance
SYSC 5.1.3 G	Guidance	Guidance	Not applicable	Guidance
SYSC 5.1.3AG	Guidance	Guidance	Guidance	Guidance
SYSC 5.1.4 G	Guidance	Guidance	Guidance	Guidance

Provision	COLUMN A Application to a common platform firm other than to a UCITS investment firm	COLUMN A+ Application to a UCITS management company	COLUMN A++ Application to a full-scope UK AIFM of an authorised AIF	COLUMN B Application to all other firms apart from insurers, UK ISPVs, managing agents, the Society, full-scope UK AIFMs of unauthorised AIFs, MiFID optional exemption firms and third country firms
SYSC 5				
SYSC 5.1.4A G	Guidance	Guidance	Guidance	Guidance
	Guidance	Guidance	Guidance	Guidance
SYSC 5.1.5A G	Guidance	Guidance	Guidance	Guidance
SYSC 5.1.5AAR	Rule	Not applicable save in relation to a <i>UCITS investment firm</i> and its <i>MiFID business</i>	Not applicable	Rule applicable to the <i>branch</i> of an <i>incoming EEA firm</i> in relation to its <i>MiFID business</i> Other <i>firms</i> : Not applicable
SYSC 5.1.5ABR	Rule	Not applicable save in relation to a <i>UCITS investment firm</i> and its <i>MiFID business</i>	Not applicable	Rule applicable to the <i>branch</i> of an <i>incoming EEA firm</i> in relation to its <i>MiFID business</i> Other <i>firms</i> : Not applicable
SYSC 5.1.5ACG	Guidance	Not applicable save in relation to a <i>UCITS investment firm</i> and its <i>MiFID business</i>	Not applicable	Guidance applicable to the <i>branch</i> of an <i>incoming EEA firm</i> in relation to its <i>MiFID business</i> Other <i>firms</i> : Not applicable
SYSC 5.1.5ADG	Guidance	Not applicable save in relation to a <i>UCITS investment firm</i> and its <i>MiFID business</i>	Not applicable	Guidance applicable to the <i>branch</i> of an <i>incoming EEA firm</i> in relation to its <i>MiFID business</i> Other <i>firms</i> : Not applicable
SYSC 5.1.5AEG	Guidance	Not applicable save in relation to a <i>UCITS investment firm</i> and its <i>MiFID business</i>	Not applicable	Guidance applicable to the <i>branch</i> of an <i>incoming EEA firm</i> in relation to its <i>MiFID business</i> Other <i>firms</i> :

Provision SYSC 5	COLUMN A Application to a common platform firm other than to a UCITS investment firm	COLUMN A+ Application to a UCITS management company	COLUMN A++ Application to a full-scope UK AIFM of an authorised AIF	COLUMN B Application to all other firms apart from insurers, UK ISPVs, managing agents, the Society, full-scope UK AIFMs of unauthorised AIFs, MiFID optional exemption firms and third country firms
				Not applicable
SYSC 5.1.5BR	Rule	Rule	Rule	Rule
SYSC 5.1.6 R	Not applicable	Rule	Guidance	Guidance
SYSC 5.1.7 R	Rule	Rule for a <i>UCITS investment firm</i> ; otherwise guidance	Guidance	Guidance
SYSC 5.1.7A G	Not applicable	Not applicable to a <i>UCITS investment firm</i> ; otherwise guidance	Guidance	Guidance
SYSC 5.1.8 G	Guidance	Guidance	Guidance	Guidance
SYSC 5.1.9 G	Guidance	Guidance	Guidance	Guidance
SYSC 5.1.10 G	Guidance	Guidance	Guidance, but not applicable for the segregation of risk management functions	Guidance
SYSC 5.1.11 G	Guidance	Guidance	Guidance	Guidance
SYSC 5.1.12 R	Not applicable	Rule	Not applicable	Guidance
SYSC 5.1.12A G	Not applicable	Not applicable	Not applicable	Guidance
SYSC 5.1.13 R	Not applicable	Rule	Not applicable	Rule
SYSC 5.1.14 R	Not applicable	Rule	Not applicable	Guidance
SYSC 5.1.15 G	Not applicable	Not applicable	Not applicable	Guidance

Provision	COLUMN A Application to a common platform firm other than to a UCITS investment firm	COLUMN A+ Application to a UCITS management company	COLUMN A++ Application to a full-scope UK AIFM of an authorised AIF	COLUMN B Application to all other firms apart from insurers, UK ISPVs, managing agents, the Society, full-scope UK AIFMs of unauthorised AIFs, MiFID optional exemption firms and third country firms
SYSC 6				
SYSC 6.1.-2G	Guidance	Not applicable save in relation to a <i>UCITS investment firm</i> and its <i>MiFID business</i>	Not applicable	Not applicable
SYSC 6.1.-1G	Not applicable	Not applicable	Not applicable	Not applicable
SYSC 6.1.1 R	Rule	Rule	Rule but only regarding the obligation to establish, implement and maintain adequate policies and procedures for countering the risk that the <i>firm</i> (including its managers and <i>employees</i>) might be used to further <i>financial crime</i>	Rule
SYSC 6.1.1A G	Guidance	Guidance	Guidance	Guidance
SYSC 6.1.2 R	Not applicable	Rule	Not applicable	Guidance
SYSC 6.1.2A G	Not applicable	Not applicable	Not applicable	Guidance
SYSC 6.1.3 R	Not applicable	Rule	Not applicable	Guidance
				This provision shall be read with the following additional sentence at the start. "Depending on the nature, scale and complexity of its business, it may be appropriate for a <i>firm</i> to have a separate compliance function. Where a <i>firm</i> has a separate compliance function, the <i>firm</i> should also take into account SYSC 6.1.3R and SYSC

Provision SYSC 6	COLUMN A Application to a common platform firm other than to a UCITS investment firm	COLUMN A+ Application to a UCITS management company	COLUMN A++ Application to a full-scope UK AIFM of an authorised AIF	COLUMN B Application to all other firms apart from insurers, UK ISPVs, managing agents, the Society, full-scope UK AIFMs of unauthorised AIFs, MiFID optional exemption firms and third country firms
SYSC 6.1.3A G SYSC 6.1.4 R	Not applicable Not applicable	Not applicable Rule	Not applicable Not applicable	6.1.4R as guidance." Guidance (1), (3) and (4): Guidance; (2): - Rule for <i>firms</i> which carry on <i>designated investment business</i> with or for <i>retail clients</i> or <i>professional clients</i> . - Guidance for all other <i>firms</i> .
SYSC 6.1.4-A G SYSC 6.1.4A R	Guidance Not applicable	Not applicable Not applicable	Rule Not applicable	Guidance Rule for <i>firms</i> which carry on <i>designated investment business</i> with or for <i>retail clients</i> or <i>professional clients</i> .
SYSC 6.1.4B G SYSC 6.1.4-CG	Not applicable Guidance applies to <i>relevant authorised persons</i> only	Not applicable Not applicable	Guidance Not applicable	Not applicable Not applicable
SYSC 6.1.4CR	Not applicable	Not applicable	Not applicable	Rule for <i>debt management firms</i> and <i>credit repair firms</i> .
SYSC 6.1.5 R	Not applicable	Rule	Not applicable	- Guidance - " <i>investment services and activities</i> " shall be read as " <i>financial services and activities</i> "
SYSC 6.1.6 G SYSC 6.1.7 R	Not applicable Rule	Not applicable Rule for a <i>UCITS investment firm</i> ;	Not applicable Not applicable	Guidance Guidance

Provision SYSC 6	COLUMN A Application to a common platform firm other than to a UCITS investment firm	COLUMN A+ Application to a UCITS management company	COLUMN A++ Application to a full-scope UK AIFM of an authorised AIF	COLUMN B Application to all other firms apart from insurers, UK ISPVs, managing agents, the Society, full-scope UK AIFMs of unauthorised AIFs, MiFID optional exemption firms and third country firms
SYSC 6.2.1 R	Not applicable	Rule	Not applicable	Guidance
SYSC 6.2.1A G	Not applicable	Not applicable	Not applicable	Guidance
SYSC 6.2.1BG	Guidance applies to <i>relevant authorised persons</i> only	Not applicable	Not applicable	Not applicable
SYSC 6.2.2 G	Guidance	Guidance	Not applicable	Guidance
SYSC 6.3.1 R	Rule	Rule	Rule	Rule
		otherwise not applicable		For <i>firms</i> carrying on a <i>credit-related regulated activity</i> or <i>regulated claims management activity</i> , or operating an <i>electronic system in relation to lending</i> , applies only where the <i>Money Laundering Regulations</i> apply to the <i>firm</i> . Rule does not apply to a <i>firm</i> for which a professional body listed in Schedule 1 to the <i>Money Laundering Regulations</i> , and not the <i>FCA</i> , acts as the supervisory authority for the purposes of those regulations.(FCA Handbook only)
SYSC 6.3.2 G	Guidance	Guidance	Guidance	Guidance
				For <i>firms</i> carrying on a <i>credit-related regulated activity</i> or <i>regulated claims management activity</i> ,

Provision	COLUMN A Application to a common platform firm other than to a UCITS investment firm	COLUMN A+ Application to a UCITS management company	COLUMN A++ Application to a full-scope UK AIFM of an authorised AIF	COLUMN B Application to all other firms apart from insurers, UK ISPVs, managing agents, the Society, full-scope UK AIFMs of unauthorised AIFs, MiFID optional exemption firms and third country firms
SYSC 6				
SYSC 6.3.3 R	Rule	Rule	Rule	<p><i>or operating an electronic system in relation to lending, applies only where the Money Laundering Regulations apply to the firm. Guidance does not apply to a firm for which a professional body listed in Schedule 1 to the Money Laundering Regulations, and not the FCA, acts as the supervisory authority for the purposes of those regulations.(FCA Handbook only)</i></p> <p>Rule</p> <p>For firms carrying on a credit-related regulated activity or regulated claims management activity, or operating an electronic system in relation to lending, applies only where the Money Laundering Regulations apply to the firm. Rule does not apply to a firm for which a professional body listed in Schedule 1 to the Money Laundering Regulations, and not the FCA, acts as the supervisory authority for the</p>

Provision SYSC 6	COLUMN A Application to a common platform firm other than to a UCITS investment firm	COLUMN A+ Application to a UCITS management company	COLUMN A++ Application to a full-scope UK AIFM of an authorised AIF	COLUMN B Application to all other firms apart from insurers, UK ISPVs, managing agents, the Society, full-scope UK AIFMs of unauthorised AIFs, MiFID optional exemption firms and third country firms
SYSC 6.3.4 G	Guidance	Guidance	Guidance	<p>purposes of those regulations.(FCA Handbook only)</p> <p>Guidance</p> <p>For <i>firms</i> carrying on a <i>credit-related regulated activity</i> or <i>regulated claims management activity</i>, or <i>operating an electronic system in relation to lending</i>, applies only where the <i>Money Laundering Regulations</i> apply to the <i>firm</i>. Guidance does not apply to a <i>firm</i> for which a professional body listed in Schedule 1 to the <i>Money Laundering Regulations</i>, and not the <i>FCA</i>, acts as the supervisory authority for the purposes of those regulations. (FCA Handbook only)</p>
SYSC 6.3.5 G	Guidance	Guidance	Guidance	<p>Guidance</p> <p>For <i>firms</i> carrying on a <i>credit-related regulated activity</i> or <i>regulated claims management activity</i>, or <i>operating an electronic system in relation to lending</i>, applies only where the <i>Money Laundering Regulations</i> apply to</p>

Provision SYSC 6	COLUMN A Application to a common platform firm other than to a UCITS investment firm	COLUMN A+ Application to a UCITS management company	COLUMN A++ Application to a full-scope UK AIFM of an authorised AIF	COLUMN B Application to all other firms apart from insurers, UK ISPVs, managing agents, the Society, full-scope UK AIFMs of unauthorised AIFs, MiFID optional exemption firms and third country firms
SYSC 6.3.6 G	Guidance	Guidance	Guidance	<p>the <i>firm</i>. Guidance does not apply to a <i>firm</i> for which a professional body listed in Schedule 1 to the <i>Money Laundering Regulations</i>, and not the FCA, acts as the supervisory authority for the purposes of those regulations. (FCA Handbook only)</p> <p>For <i>firms</i> carrying on a <i>credit-related regulated activity</i> or <i>regulated claims management activity</i>, or <i>operating an electronic system in relation to lending</i>, applies only where the <i>Money Laundering Regulations</i> apply to the <i>firm</i>. Guidance does not apply to a <i>firm</i> for which a professional body listed in Schedule 1 to the <i>Money Laundering Regulations</i>, and not the FCA, acts as the supervisory authority for the purposes of those regulations. (FCA Handbook only)</p>

Provision	COLUMN A Application to a common platform firm other than to a UCITS investment firm	COLUMN A+ Application to a UCITS management company	COLUMN A++ Application to a full-scope UK AIFM of an authorised AIF	COLUMN B Application to all other firms apart from insurers, UK ISPVs, managing agents, the Society, full-scope UK AIFMs of unauthorised AIFs, MiFID optional exemption firms and third country firms
SYSC 6				
SYSC 6.3.7 G	Guidance	Guidance	Guidance	Guidance
				For <i>firms</i> carrying on a <i>credit-related regulated activity</i> or <i>regulated claims management activity</i> , or <i>operating an electronic system in relation to lending</i> , applies only where the <i>Money Laundering Regulations</i> apply to the <i>firm</i> . Guidance does not apply to a <i>firm</i> for which a professional body listed in Schedule 1 to the <i>Money Laundering Regulations</i> , and not the <i>FCA</i> , acts as the supervisory authority for the purposes of those regulations. (<i>FCA Handbook</i> only)
SYSC 6.3.8 R	Rule	Rule	Rule	Rule
				For <i>firms</i> carrying on a <i>credit-related regulated activity</i> or <i>regulated claims management activity</i> , or <i>operating an electronic system in relation to lending</i> , applies only where the <i>Money Laundering Regulations</i> apply to the <i>firm</i> . Rule does not apply to a <i>firm</i> with a <i>lim-</i>

Provision SYSC 6	COLUMN A Application to a common platform firm other than to a UCITS investment firm	COLUMN A+ Application to a UCITS management company	COLUMN A++ Application to a full-scope UK AIFM of an authorised AIF	COLUMN B Application to all other firms apart from insurers, UK ISPVs, managing agents, the Society, full-scope UK AIFMs of unauthorised AIFs, MiFID optional exemption firms and third country firms
SYSC 6.3.9 R	Rule	Rule	Rule	<p><i>ited permission for entering into a regulated credit agreement as lender. Rule does not apply to a firm for which a professional body listed in Schedule 1 to the Money Laundering Regulations, and not the FCA, acts as the supervisory authority for the purposes of those regulations. (FCA Handbook only)</i></p> <p>Rule</p> <p>For <i>firms</i> carrying on a <i>credit-related regulated activity</i> or <i>regulated claims management activity</i>, or operating an <i>electronic system in relation to lending</i>, applies only where the <i>Money Laundering Regulations</i> apply to the <i>firm</i>. Rule does not apply to a <i>firm</i> with a <i>limited permission for entering into a regulated credit agreement as lender</i>. Rule does not apply to a <i>firm</i> for which a professional body listed in Schedule 1 to the <i>Money Laundering Regulations</i>, and not</p>

Provision SYSC 6	COLUMN A Application to a common platform firm other than to a UCITS investment firm	COLUMN A+ Application to a UCITS management company	COLUMN A++ Application to a full-scope UK AIFM of an authorised AIF	COLUMN B Application to all other firms apart from insurers, UK ISPVs, managing agents, the Society, full-scope UK AIFMs of unauthorised AIFs, MiFID optional exemption firms and third country firms
SYSC 6.3.10 G	Guidance	Guidance	Guidance	<p>the FCA, acts as the supervisory authority for the purposes of those regulations. (FCA Handbook only)</p> <p>Guidance</p> <p>For firms carrying on a credit-related regulated activity or regulated claims management activity, or operating an electronic system in relation to lending, applies only where the Money Laundering Regulations apply to the firm. Guidance does not apply to a firm for which a professional body listed in Schedule 1 to the Money Laundering Regulations, and not the FCA, acts as the supervisory authority for the purposes of those regulations. (FCA Handbook only)</p>
SYSC 6.3.11 G	Guidance	Guidance	Guidance	<p>Guidance</p> <p>For firms carrying on a credit-related regulated activity or regulated claims management activity, or operating an electronic system in relation to lending, applies only</p>

Provision SYSC 6	COLUMN A Application to a common platform firm other than to a UCITS investment firm	COLUMN A+ Application to a UCITS management company	COLUMN A++ Application to a full-scope UK AIFM of an authorised AIF	COLUMN B Application to all other firms apart from insurers, UK ISPVs, managing agents, the Society, full-scope UK AIFMs of unauthorised AIFs, MiFID optional exemption firms and third country firms
				where the <i>Money Laundering Regulations</i> apply to the <i>firm</i> . Guidance does not apply to a <i>firm</i> for which a professional body listed in Schedule 1 to the <i>Money Laundering Regulations</i> , and not the FCA, acts as the supervisory authority for the purposes of those regulations. (FCA Handbook only)

Provision SYSC 7	COLUMN A Application to a common platform firm other than to a UCITS investment firm	COLUMN A+ Application to a UCITS management company	COLUMN A++ Application to a full-scope UK AIFM of an authorised AIF	COLUMN B Application to all other firms apart from insurers, UK ISPVs, managing agents, the Society, full-scope UK AIFMs of unauthorised AIFs, MiFID optional exemption firms and third country firms
SYSC 7.1.-2G	Guidance	Not applicable save in relation to a <i>UCITS investment firm</i> and its <i>MiFID business</i>	Not applicable	Not applicable
SYSC 7.1.-1G	Not applicable	Not applicable	Not applicable	Not applicable
SYSC 7.1.1 G	Guidance	Guidance	Not applicable	Guidance
SYSC 7.1.2 R	Not applicable	Rule for a <i>UCITS investment firm</i> in relation to its non- <i>MiFID business</i> ; otherwise guidance	Not applicable	Guidance
SYSC 7.1.2A G	Not applicable	Not applicable to a <i>UCITS invest</i>	Not applicable	Guidance

Provision SYSC 7	COLUMN A Application to a common platform firm other than to a UCITS investment firm	COLUMN A+ Application to a UCITS management company	COLUMN A++ Application to a full-scope UK AIFM of an authorised AIF	COLUMN B Application to all other firms apart from insurers, UK ISPVs, managing agents, the Society, full-scope UK AIFMs of unauthorised AIFs, MiFID optional exemption firms and third country firms
SYSC 7.1.2B G	Not applicable	<i>ment firm; otherwise guidance</i>	Not applicable	Not applicable
SYSC 7.1.3 R	Not applicable	Rule for a <i>UCITS investment firm</i> in relation to its non-MiFID business; otherwise guidance	Not applicable	Guidance
SYSC 7.1.4 R	Rule	Rule for a <i>UCITS investment firm; otherwise guidance</i>	Not applicable	Guidance
SYSC 7.1.4A G	Guidance	Rule for a <i>UCITS investment firm; otherwise guidance</i>	Not applicable	Guidance
SYSC 7.1.4B G	Not applicable	Rule for a <i>UCITS investment firm; otherwise guidance</i>	Not applicable	Guidance
SYSC 7.1.5 R	Not applicable	Rule for a <i>UCITS investment firm</i> in relation to its non-MiFID business; otherwise guidance	Not applicable	Guidance
SYSC 7.1.6 R	Not applicable	Rule for a <i>UCITS investment firm</i> in relation to its non-MiFID business; otherwise guidance	Not applicable	Guidance
SYSC 7.1.7 R	Not applicable	Rule for a <i>UCITS investment firm</i> in relation to its non-MiFID business; otherwise guidance	Not applicable	Guidance
SYSC 7.1.7A G	Not applicable	Rule for a <i>UCITS investment firm; otherwise guidance</i>	Not applicable	Guidance

Provision	COLUMN A Application to a common platform firm other than to a UCITS investment firm	COLUMN A+ Application to a UCITS management company	COLUMN A++ Application to a full-scope UK AIFM of an authorised AIF	COLUMN B Application to all other firms apart from insurers, UK ISPVs, managing agents, the Society, full-scope UK AIFMs of unauthorised AIFs, MiFID optional exemption firms and third country firms
SYSC 7				
SYSC 7.1.7B G	Guidance applies only to a <i>BIPRU firm</i>	Rule for a <i>UCITS investment firm</i> ; otherwise guidance	Guidance	Guidance
SYSC 7.1.7BA G	Not applicable	Not applicable	Guidance	Not applicable
SYSC 7.1.7BB G	Guidance applies only to a <i>BIPRU firm</i>	Guidance applies only to a <i>BIPRU firm</i> that is a <i>UCITS investment firm</i>	Not applicable	Not applicable
SYSC 7.1.7C G	Guidance	Guidance	Guidance	Guidance
SYSC 7.1.8 G	Guidance	Guidance	Guidance	Guidance
SYSC 7.1.9 R	Rule applies to a <i>BIPRU firm</i>	Rule for a <i>UCITS investment firm</i> ; otherwise not applicable	Not applicable	Not applicable
SYSC 7.1.10 R	Rule applies to a <i>BIPRU firm</i>	Rule for a <i>UCITS investment firm</i> ; otherwise not applicable	Not applicable	Not applicable
SYSC 7.1.11 R	Rule applies to a <i>BIPRU firm</i>	Rule for a <i>UCITS investment firm</i> ; otherwise not applicable	Not applicable	Not applicable
SYSC 7.1.12 G	Guidance applies to a <i>BIPRU firm</i>	Rule for a <i>UCITS investment firm</i> ; otherwise not applicable	Not applicable	Not applicable
SYSC 7.1.13 R - 7.1.16 R	Rule applies to a <i>BIPRU firm</i>	Rule for a <i>UCITS investment firm</i> ; otherwise not applicable	Not applicable	Not applicable
SYSC 7.1.16A G	[deleted]	[deleted]	[deleted]	[deleted]
SYSC 7.1.16B G	[deleted]	[deleted]	[deleted]	[deleted]
SYSC 7.1.16C R	Rule applies to a <i>CRR firm</i>	Not applicable	Not applicable	Not applicable
SYSC 7.1.17 R	Rule applies to a <i>CRR firm</i>	Rule for a <i>UCITS investment firm</i> that is a <i>CRR firm</i> , otherwise not applicable	Not applicable	Not applicable

Provision	COLUMN A Application to a common platform firm other than to a UCITS investment firm	COLUMN A+ Application to a UCITS management company	COLUMN A++ Application to a full-scope UK AIFM of an authorised AIF	COLUMN B Application to all other firms apart from insurers, UK ISPVs, managing agents, the Society, full-scope UK AIFMs of unauthorised AIFs, MiFID optional exemption firms and third country firms
SYSC 7				
SYSC 7.1.18 R	Rule applies to a <i>CRR firm</i>	Rule for a <i>UCITS investment firm</i> that is a <i>CRR firm</i> , otherwise not applicable	Not applicable	Not applicable
SYSC 7.1.18AAG	Guidance applies to a <i>CRR firm</i>	Guidance for a <i>UCITS investment firm</i> that is a <i>CRR firm</i> , otherwise not applicable	Not applicable	Not applicable
SYSC 7.1.18B R	Rule applies to a <i>CRR firm</i>	Rule for a <i>UCITS investment firm</i> that is a <i>CRR firm</i> , otherwise not applicable	Not applicable	Not applicable
SYSC 7.1.19 R	Rule applies to a <i>CRR firm</i>	Rule for a <i>UCITS investment firm</i> that is a <i>CRR firm</i> , otherwise not applicable	Not applicable	Not applicable
SYSC 7.1.20 R	Rule applies to a <i>CRR firm</i>	Rule for a <i>UCITS investment firm</i> that is a <i>CRR firm</i> , otherwise not applicable	Not applicable	Not applicable
SYSC 7.1.21 R	Rule applies to a <i>CRR firm</i>	Rule for a <i>UCITS investment firm</i> that is a <i>CRR firm</i> , otherwise not applicable	Not applicable	Not applicable
SYSC 7.1.22 R	Rule applies to a <i>CRR firm</i>	Rule for a <i>UCITS investment firm</i> that is a <i>CRR firm</i> , otherwise not applicable	Not applicable	Not applicable
SYSC 7.1.23G	Guidance applies to <i>UK relevant authorised persons</i> and <i>third country relevant authorised persons</i> only	Not applicable	Not applicable	Not applicable

Provision	COLUMN A Application to a common platform firm other than to a UCITS investment firm	COLUMN A+ Application to a UCITS management company	COLUMN A++ Application to a full-scope UK AIFM of an authorised AIF	COLUMN B Application to all other firms apart from insurers, UK ISPVs, managing agents, the Society, full-scope UK AIFMs of unauthorised AIFs, MiFID optional exemption firms and third country firms
SYSC 8				
SYSC 8.1.-2G	Guidance	Not applicable save in relation to a <i>UCITS investment firm</i> and its <i>MiFID business</i>	Not applicable	Not applicable
SYSC 8.1.-1G	Not applicable	Not applicable	Not applicable	Not applicable
SYSC 8.1.1 R	Rule	Rule for a <i>UCITS investment firm</i> ; otherwise guidance	Not applicable	Guidance
SYSC 8.1.1A G	Not applicable	Not applicable to a <i>UCITS investment firm</i> ; otherwise guidance	Not applicable	Guidance
SYSC 8.1.2 G	Guidance	Guidance	Not applicable	Guidance
SYSC 8.1.3 G	Guidance	Guidance	Not applicable	Guidance
SYSC 8.1.4 R	Not applicable	Rule for a <i>UCITS investment firm</i> ; otherwise guidance	Not applicable	Guidance
SYSC 8.1.5 R	Not applicable	Rule for a <i>UCITS investment firm</i> ; otherwise guidance	Not applicable	Guidance
SYSC 8.1.5A G	Not applicable	Rule for a <i>UCITS investment firm</i> ; otherwise guidance	Not applicable	Guidance
SYSC 8.1.6 R	Not applicable	Rule for a <i>UCITS investment firm</i> in relation to its non- <i>MiFID business</i> ; otherwise guidance	Not applicable	Rule
SYSC 8.1.6AG	Guidance for a <i>UCITS investment firm</i> in relation to its <i>MiFID business</i>	Not applicable	Not applicable	Not applicable
SYSC 8.1.7 R	Not applicable	Rule for a <i>UCITS investment firm</i> in relation to its non- <i>MiFID business</i> ; otherwise guidance	Not applicable	Guidance

Provision SYSC 8	COLUMN A Application to a common platform firm other than to a UCITS investment firm	COLUMN A+ Application to a UCITS management company	COLUMN A++ Application to a full-scope UK AIFM of an authorised AIF	COLUMN B Application to all other firms apart from insurers, UK ISPVs, managing agents, the Society, full-scope UK AIFMs of unauthorised AIFs, MiFID optional exemption firms and third country firms
SYSC 8.1.8 R	Not applicable	Rule for a <i>UCITS investment firm</i> in relation to its <i>non-MiFID business</i> ; otherwise guidance	Not applicable	Guidance
SYSC 8.1.9 R	Not applicable	Rule for a <i>UCITS investment firm</i> in relation to its <i>non-MiFID business</i> ; otherwise guidance	Not applicable	Guidance
SYSC 8.1.10 R	Not applicable	Rule for a <i>UCITS investment firm</i> in relation to its <i>non-MiFID business</i> ; otherwise guidance	Not applicable	Guidance
SYSC 8.1.11 R	Not applicable	Rule for a <i>UCITS investment firm</i> in relation to its <i>non-MiFID business</i> ; otherwise guidance	Not applicable	Guidance
SYSC 8.1.11A G	Not applicable	Not applicable to a <i>UCITS investment firm</i> ; otherwise guidance	Not applicable	Guidance
SYSC 8.1.12 G	Guidance	Guidance	Not applicable	Guidance
SYSC 8.1.13 R	Not applicable	Rule	Not applicable	Not applicable
SYSC 8.1.14 G	Not applicable	Guidance	Not applicable	Not applicable
SYSC 8.2	[deleted]	[deleted]	[deleted]	[deleted]
SYSC 8.3	[deleted]	[deleted]	[deleted]	[deleted]

Provision	COLUMN A Application to a common platform firm other than to a UCITS investment firm	COLUMN A+ Application to a UCITS management company	COLUMN A++ Application to a full-scope UK AIFM of an authorised AIF	COLUMN B Application to all other firms apart from insurers, UK ISPVs, managing agents, the Society, full-scope UK AIFMs of unauthorised AIFs, MiFID optional exemption firms and third country firms
SYSC 9				
SYSC 9.1.-2G	Guidance	Not applicable save in relation to a <i>UCITS investment firm</i> and its <i>MiFID business</i>	Not applicable	Not applicable
SYSC 9.1.-1G	Not applicable	Not applicable	Not applicable	Not applicable
SYSC 9.1.1 R	Not applicable	Rule	Rule but only for the requirement to arrange for orderly records to be kept of its business and internal organisation which do not relate to portfolio transactions and subscription and redemptions orders	Rule
SYSC 9.1.1AR	Rule	Not applicable	Not applicable	Not applicable
SYSC 9.1.2 R	Rule applies only in relation to <i>MiFID business</i>	Rule applies only in relation to <i>MiFID business</i> of a <i>UCITS investment firm</i>	Rule but only for records specified by the modified application of SYSC 9.1.1 R	Not applicable
SYSC 9.1.2AR	Rule	Rule	Rule	Rule
SYSC 9.1.2BG	Guidance	Guidance	Guidance	Guidance
SYSC 9.1.2CEU	EU Directly applicable to a <i>firm</i> carrying on <i>insurance distribution</i> in relation to <i>insurance-based investment products</i>	EU Directly applicable to a <i>firm</i> carrying on <i>insurance distribution</i> in relation to <i>insurance-based investment products</i>	EU Directly applicable to a <i>firm</i> carrying on <i>insurance distribution</i> in relation to <i>insurance-based investment products</i>	EU Directly applicable to a <i>firm</i> carrying on <i>insurance distribution</i> in relation to <i>insurance-based investment products</i>
SYSC 9.1.2DR	Rule	Rule	Rule	Rule
SYSC 9.1.3 R	[deleted]	[deleted]	[deleted]	[deleted]
SYSC 9.1.4 G	Guidance	Guidance	Guidance	Guidance
SYSC 9.1.5 G	Guidance	Guidance	Not applicable	Guidance
SYSC 9.1.6 G	Guidance	Guidance	Not applicable	Guidance
SYSC 9.1.6A	Guidance [deleted]	Guidance [deleted]	Guidance [deleted]	Guidance [deleted]

Provision	COLUMN A Application to a common platform firm other than to a UCITS investment firm	COLUMN A+ Application to a UCITS management company	COLUMN A++ Application to a full-scope UK AIFM of an authorised AIF	COLUMN B Application to all other firms apart from insurers, UK ISPVs, managing agents, the Society, full-scope UK AIFMs of unauthorised AIFs, MiFID optional exemption firms and third country firms
SYSC 9				
SYSC 9.2 G	Not applicable	Not applicable	Not applicable	Applicable to <i>credit institutions</i> only, not including <i>incoming EEA firms</i> which have <i>permission</i> for <i>cross border services</i> only and which do not carry on <i>regulated activities</i> in the <i>United Kingdom</i> .
Provision	Column A Application to a common platform firm other than to a UCITS investment firm	COLUMN A+ Application to a UCITS management company	COLUMN A++ Application to a full-scope UK AIFM of an authorised AIF	Column B Application to all other firms apart from insurers, UK ISPVs, managing agents, the Society, full-scope UK AIFMs of unauthorised AIFs, MiFID optional exemption firms and third country firms
SYSC 10				
SYSC 10.1.-4G	Guidance in relation to <i>insurance distribution activities</i>	Guidance in relation to <i>insurance distribution activities</i>	Guidance in relation to <i>insurance distribution activities</i>	Guidance in relation to <i>insurance distribution activities</i>
SYSC 10.1.-3R	Rule in relation to <i>insurance distribution activities</i>	Rule in relation to <i>insurance distribution activities</i>	Rule in relation to <i>insurance distribution activities</i>	Rule in relation to <i>insurance distribution activities</i>
SYSC 10.1.-2G	Guidance	Guidance in relation to relation to a <i>UCITS investment firm</i> in relation to its <i>MiFID business</i> ; otherwise not applicable	Not applicable	Not applicable
SYSC 10.1.-1G	Not applicable	Not applicable	Not applicable	Not applicable
SYSC 10.1.1 R	Rule	Rule	Not applicable	Rule
SYSC 10.1.1A R	Not applicable	Not applicable	Rule	Not applicable

Provision SYSC 10	Column A Application to a common platform firm other than to a UCITS investment firm	COLUMN A+ Application to a UCITS management company	COLUMN A++ Application to a full-scope UK AIFM of an authorised AIF	Column B Application to all other firms apart from insurers, UK ISPVs, managing agents, the Society, full-scope UK AIFMs of unauthorised AIFs, MiFID optional exemption firms and third country firms
SYSC 10.1.2 G	Guidance	Guidance	Guidance in relation to <i>insurance distribution activities</i> . Otherwise, not applicable	Guidance
SYSC 10.1.3 R	Rule	Rule	Rule in relation to <i>insurance distribution activities</i> . Otherwise not applicable	Rule
SYSC 10.1.4 R	Not applicable	Rule, but not applicable in relation to <i>insurance distribution activities</i>	Not applicable	Guidance - but applies as a rule in relation to the production or arrangement of investment research, or the production or dissemination of non-independent research, in accordance with COBS 12.2 Not applicable in relation to <i>insurance distribution activities</i>
SYSC 10.1.4A G	Not applicable	Not applicable	Not applicable	Guidance -but not applicable in relation to <i>insurance distribution activities</i>
SYSC 10.1.4BR	Not applicable	Rule in relation to <i>insurance distribution activities</i>	Rule in relation to <i>insurance distribution activities</i>	Rule in relation to <i>insurance distribution activities</i>
SYSC 10.1.4CR	Not applicable	Rule in relation to <i>insurance distribution activities</i>	Rule in relation to <i>insurance distribution activities</i>	Rule in relation to <i>insurance distribution activities</i>
SYSC 10.1.5 G	Guidance	Guidance	Not applicable	Guidance
SYSC 10.1.6 R	Not applicable	Rule	Rule in relation to <i>insurance distribution activities</i> .	Guidance - but applies as a rule: (a) in relation to the

Provision SYSC 10	Column A Application to a common platform firm other than to a UCITS investment firm	COLUMN A+ Application to a UCITS management company	COLUMN A++ Application to a full-scope UK AIFM of an authorised AIF	Column B Application to all other firms apart from insurers, UK ISPVs, managing agents, the Society, full-scope UK AIFMs of unauthorised AIFs, MiFID optional exemption firms and third country firms
			Otherwise, not applicable	production or arrangement of investment research, or the production or dissemination of non-independent research, in accordance with COBS 12.2; and (b) in relation to <i>insurance distribution activities</i>
SYSC 10.1.6A G	Not applicable	Not applicable	Guidance - but not applicable in relation to <i>insurance distribution activities</i>	Guidance - but not applicable in relation to <i>insurance distribution activities</i>
SYSC 10.1.6AAR	Not applicable	Rule in relation to <i>insurance distribution activities</i>	Rule in relation to <i>insurance distribution activities</i>	Rule in relation to <i>insurance distribution activities</i>
SYSC 10.1.6BG	Not applicable	Guidance	Guidance	Guidance
SYSC 10.1.7 R	Rule	Rule	Rule in relation to <i>insurance distribution activities</i> . Otherwise not applicable	Rule
SYSC 10.1.7AR	Rule	Rule	Rule	Rule
SYSC 10.1.8 R	Rule in relation to <i>insurance distribution activities</i> . Otherwise, not applicable	Rule	Rule in relation to <i>insurance distribution activities</i> . Otherwise, not applicable	Rule
SYSC 10.1.9 G	Not applicable	Guidance	Not applicable	Guidance
SYSC 10.1.9AR	Not applicable	Rule in relation to <i>insurance distribution activities</i> . Otherwise, not applicable	Rule in relation to <i>insurance distribution activities</i> . Otherwise, not applicable	Guidance - but applies as a rule in relation to <i>insurance distribution activities</i>
SYSC 10.1.10 R	Not applicable	Rule	Rule in relation to <i>insurance distribution activities</i> .	Guidance - but applies as a rule: (a) in relation to the

Provision SYSC 10	Column A Application to a common platform firm other than to a UCITS investment firm	COLUMN A+ Application to a UCITS management company	COLUMN A++ Application to a full-scope UK AIFM of an authorised AIF	Column B Application to all other firms apart from insurers, UK ISPVs, managing agents, the Society, full-scope UK AIFMs of unauthorised AIFs, MiFID optional exemption firms and third country firms
			Otherwise, not applicable	production or arrangement of investment research, or the production or dissemination of non-independent research, in accordance with COBS 12.2; and (b) in relation to <i>insurance distribution activities</i>
SYSC 10.1.11 R	Not applicable	Rule	Rule in relation to <i>insurance distribution activities</i> . Otherwise, not applicable	Guidance - but applies as a rule: (a) in relation to the production or arrangement of investment research, or the production or dissemination of non-independent research, in accordance with COBS 12.2; and (b) in relation to <i>insurance distribution activities</i>
SYSC 10.1.11A G	Not applicable	Not applicable	Guidance - but not applicable in relation to <i>insurance distribution activities</i>	Guidance - but not applicable in relation to <i>insurance distribution activities</i>
SYSC 10.1.11AAR	Not applicable	Rule in relation to <i>insurance distribution activities</i>	Rule in relation to <i>insurance distribution activities</i>	Rule in relation to <i>insurance distribution activities</i>
SYSC 10.1.11ABR	Rule in relation to <i>insurance distribution activities</i>	Not applicable	Not applicable	Not applicable
SYSC 10.1.11BG	Not applicable	Guidance	Guidance	Guidance
SYSC 10.1.12 G	Guidance	Guidance	Guidance	Guidance
SYSC 10.1.13-10.1.15G	[deleted]	[deleted]	[deleted]	[deleted]
SYSC 10.1.16 R	Not applicable	Not applicable	Not applicable	Rule

Provision SYSC 10	Column A Application to a common platform firm other than to a UCITS investment firm	COLUMN A+ Application to a UCITS management company	COLUMN A++ Application to a full-scope UK AIFM of an authorised AIF	Column B Application to all other firms apart from insurers, UK ISPVs, managing agents, the Society, full-scope UK AIFMs of unauthorised AIFs, MiFID optional exemption firms and third country firms
SYSC 10.1.17 R	Not applicable	Rule	Not applicable	Not applicable
SYSC 10.1.18 G	Not applicable	Guidance	Not applicable	Not applicable
[FCA]				
SYSC 10.1.19 R	Not applicable	Rule	Not applicable	Not applicable
SYSC 10.1.20 R	Not applicable	Rule	Not applicable	Not applicable
SYSC 10.1.21 R	Not applicable	Rule	Not applicable	Not applicable
SYSC 10.1.22 R	Not applicable	Rule	Rule	Not applicable
SYSC 10.1.23 R to SYSC 10.1.26 R	Not applicable	Not applicable	Rule	Not applicable
SYSC 10.1A	EU Directly applicable to a <i>firm</i> carrying on <i>insurance distribution</i> in relation to <i>insurance-based investment products</i>	EU Directly applicable to a <i>firm</i> carrying on <i>insurance distribution</i> in relation to <i>insurance-based investment products</i>	EU Directly applicable to a <i>firm</i> carrying on <i>insurance distribution</i> in relation to <i>insurance-based investment products</i>	EU Directly applicable to a <i>firm</i> carrying on <i>insurance distribution</i> in relation to <i>insurance-based investment products</i>
SYSC 10.2.1 R	Rule	Rule	Rule	Rule
SYSC 10.2.2 R	Rule	Rule	Rule	Rule
SYSC 10.2.3 G	Guidance	Guidance	Guidance	Guidance
SYSC 10.2.4 R	Rule	Rule	Rule	Rule
SYSC 10.2.5 G	Guidance	Guidance	Guidance	Guidance

Table B: Application of the common platform requirements in SYSC 4 to 10 to MiFID optional exemption firms and third country firms

Provision	COLUMN A		COLUMN B	
	MiFID optional exemption firms		Third country firms	
SYSC 4				
SYSC 4.1.-2G	Not applicable		Not applicable	
SYSC 4.1.-1G	Guidance		Guidance	
SYSC 4.1.1R	Rule		Rule	
SYSC 4.1.1AR	Not applicable		Not applicable	
SYSC 4.1.1BR	Not applicable		Not applicable	
SYSC 4.1.1CR	Not applicable		Rule	
SYSC 4.1.1DR	Not applicable		Not applicable	
SYSC 4.1.1ER	Not applicable		Not applicable	
SYSC 4.1.1FG	Not applicable		Not applicable	

Provision	COLUMN A MiFID optional exemption firms	COLUMN B Third country firms
SYSC 4		
SYSC 4.1.2R	Rule	Guidance
SYSC 4.1.2AG	Not applicable	Not applicable
SYSC 4.1.2AAR	Not applicable	Not applicable
SYSC 4.1.2BR	Not applicable	Not applicable
SYSC 4.1.2CR	Not applicable	Not applicable
SYSC 4.1.2DR	Not applicable	Not applicable
SYSC 4.1.4R	Not applicable	Not applicable
SYSC 4.1.4AG	Not applicable	Not applicable
SYSC 4.1.5R	Not applicable	Not applicable
SYSC 4.1.6R	Rule	Guidance
SYSC 4.1.7R	Rule	Guidance
SYSC 4.1.7AG	Not applicable	Not applicable
SYSC 4.1.8G	Guidance	Guidance
SYSC 4.1.9R	Not applicable	Not applicable
SYSC 4.1.10R	Not applicable	Not applicable
SYSC 4.1.10AG	Not applicable	Not applicable
SYSC 4.1.11G	Guidance	Guidance
SYSC 4.1.13G	Guidance	Guidance
SYSC 4.1.14G	Guidance	Guidance
SYSC 4.2.1R	Rule	Rule
SYSC 4.2.1AG	Not applicable	Not applicable
SYSC 4.2.2R	Rule	Rule
SYSC 4.2.3G - 4.2.5G	Guidance	Guidance
SYSC 4.2.6R	Rule	Rule
SYSC 4.2.7R	Not applicable	Not applicable
SYSC 4.2.8G	Not applicable	Not applicable
SYSC 4.3.1R	Not applicable	Not applicable
SYSC 4.3.2R	Not applicable	Not applicable
SYSC 4.3.2AG	Not applicable	Not applicable
SYSC 4.3.3G	Guidance	Guidance
SYSC 4.3A.-1R	Rule	Not applicable
SYSC 4.3A.1R	Rule	Not applicable
SYSC 4.3A.1AR	Rule	Not applicable
SYSC 4.3A.2R	Rule	Not applicable
SYSC 4.3A.2AG	Guidance	Not applicable
SYSC 4.3A.3R	Rule	Not applicable
SYSC 4.3A.4R	Rule	Not applicable
SYSC 4.3A.5R	Rule	Not applicable
SYSC 4.3A.6R	Rule	Not applicable
SYSC 4.3A.7R	Rule	Not applicable

Provision	COLUMN A	COLUMN B
	MiFID optional exemption firms	Third country firms
SYSC 4		
SYSC 4.3A.8R	Rule	Not applicable
SYSC 4.3A.9R	Rule	Not applicable
SYSC 4.3A.10R	Rule	Not applicable
SYSC 4.3A.11R	Not applicable	Not applicable
SYSC 4.4.1AR	Not applicable	Not applicable
SYSC 4.4.2G	Not applicable	Not applicable
SYSC 4.4.3R	Not applicable	Not applicable
SYSC 4.4.5R	Not applicable	Not applicable
SYSC 4.4.6G	Not applicable	Not applicable
SYSC 5		
SYSC 5.1.-2G	Not applicable	Not applicable
SYSC 5.1.-1G	Guidance	Guidance
SYSC 5.1.1R	Not applicable	Not applicable
SYSC 5.1.2G	Guidance	Guidance
SYSC 5.1.3G	Guidance	Guidance
SYSC 5.1.4G	Guidance	Guidance
SYSC 5.1.4AG	Guidance	Guidance
SYSC 5.1.5G	Guidance	Guidance
SYSC 5.1.5AAR	Not applicable	Rule
SYSC 5.1.5ABR	Not applicable	Rule
SYSC 5.1.5ACG	Not applicable	Guidance
SYSC 5.1.5ADG	Not applicable	Guidance
SYSC 5.1.5AEG	Not applicable	Guidance
SYSC 5.1.5AG	Guidance	Guidance
SYSC 5.1.6R	Not applicable	Not applicable
SYSC 5.1.7R	Rule	Rule
SYSC 5.1.7AG	Not applicable	Not applicable
SYSC 5.1.8G	Guidance	Guidance
SYSC 5.1.9G	Guidance	Guidance
SYSC 5.1.10G	Guidance	Guidance
SYSC 5.1.11G	Guidance	Guidance
SYSC 5.1.12R	Not applicable	Not applicable
SYSC 5.1.12AG	Not applicable	Not applicable
SYSC 5.1.13R	Not applicable	Not applicable
SYSC 5.1.14R	Not applicable	Not applicable
SYSC 5.1.15G	Not applicable	Not applicable
SYSC 6		
SYSC 6.1.-2G	Not applicable	Not applicable

SYSC 6		
SYSC 6.1.-1G	Guidance	Guidance
SYSC 6.1.1R	Rule	Rule
SYSC 6.1.1AG	Guidance	Guidance
SYSC 6.1.2R	Not applicable	Not applicable
SYSC 6.1.2AG	Not applicable	Not applicable
SYSC 6.1.3R	Not applicable	Not applicable
SYSC 6.1.3AG	Not applicable	Not applicable
SYSC 6.1.4R	Not applicable	Not applicable
SYSC 6.1.4-AG	Guidance	Guidance
SYSC 6.1.4AR	Not applicable	Not applicable
SYSC 6.1.4-BG	Not applicable	Not applicable
SYSC 6.1.4CR	Not applicable	Not applicable
SYSC 6.1.4-CG	Not applicable	Guidance for a <i>third country relevant authorised person</i>
SYSC 6.1.5R	Not applicable	Not applicable
SYSC 6.1.6G	Not applicable	Not applicable
SYSC 6.1.7R	Not applicable	Not applicable
SYSC 6.2.1R	Not applicable	Not applicable
SYSC 6.2.1AG	Not applicable	Not applicable
SYSC 6.2.1BG	Not applicable	Guidance for a <i>third country relevant authorised person</i>
SYSC 6.2.2G	Guidance	Guidance
SYSC 6.3.1R	Rule	Rule
SYSC 6.3.2G	Guidance	Guidance
SYSC 6.3.3R	Rule	Rule
SYSC 6.3.4G	Guidance	Guidance
SYSC 6.3.5G	Guidance	Guidance
SYSC 6.3.6G	Guidance	Guidance
SYSC 6.3.7G	Guidance	Guidance
SYSC 6.3.8R	Rule	Rule
SYSC 6.3.9R	Rule	Rule
SYSC 6.3.10G	Guidance	Guidance
SYSC 6.3.11G	Guidance	Guidance
SYSC 7		
SYSC 7.1.-2G	Not applicable	Not applicable
SYSC 7.1.-1G	Guidance	Guidance
SYSC 7.1.1G	Guidance	Guidance
SYSC 7.1.2R	Not applicable	Not applicable
SYSC 7.1.2AG	Not applicable	Not applicable
SYSC 7.1.2BG	Not applicable	Not applicable
SYSC 7.1.3R	Not applicable	Not applicable
SYSC 7.1.4R	Rule	Guidance
SYSC 7.1.4AG	Guidance	Guidance

SYSC 7		
SYSC 7.1.4BG	Not applicable	Not applicable
SYSC 7.1.5R	Not applicable	Not applicable
SYSC 7.1.6R	Not applicable	Not applicable
SYSC 7.1.7R	Not applicable	Not applicable
SYSC 7.1.7AG	Not applicable	Not applicable
SYSC 7.1.7BG	Not applicable	Not applicable
SYSC 7.1.7BAG	Not applicable	Not applicable
SYSC 7.1.7BBG	Not applicable	Not applicable
SYSC 7.1.7CG	Guidance	Guidance
SYSC 7.1.8G	Guidance	Guidance
SYSC 7.1.9R	Not applicable	Not applicable
SYSC 7.1.10R	Not applicable	Not applicable
SYSC 7.1.11R	Not applicable	Not applicable
SYSC 7.1.12G	Not applicable	Not applicable
SYSC 7.1.13R - 7.1.16R	Not applicable	Not applicable
SYSC 7.1.16AG	Not applicable	Not applicable
SYSC 7.1.16BG	Not applicable	Not applicable
SYSC 7.1.16CR	Not applicable	Not applicable
SYSC 7.1.17R	Guidance	Not applicable
SYSC 7.1.18R	Guidance	Not applicable
SYSC 7.1.18AAG	Guidance	Not applicable
SYSC 7.1.18BR	Guidance	Not applicable
SYSC 7.1.19R	Guidance	Not applicable
SYSC 7.1.20R	Guidance	Not applicable
SYSC 7.1.21R	Guidance	Not applicable
SYSC 7.1.22R	Guidance	Not applicable
SYSC 7.1.23G	Not applicable	Guidance for a <i>third country relevant authorised person</i>
SYSC 8		
SYSC 8.1.-2G	Not applicable	Not applicable
SYSC 8.1.-1G	Guidance	Guidance
SYSC 8.1.1R	Rule	Guidance
SYSC 8.1.1AG	Not applicable	Not applicable
SYSC 8.1.2G	Guidance	Guidance
SYSC 8.1.3G	Guidance	Guidance
SYSC 8.1.4R	Not applicable	Not applicable
SYSC 8.1.5R	Not applicable	Not applicable
SYSC 8.1.5AG	Not applicable	Not applicable
SYSC 8.1.6R	Not applicable	Not applicable
SYSC 8.1.6AG	Not applicable	Not applicable
SYSC 8.1.7R	Not applicable	Not applicable
SYSC 8.1.8R	Not applicable	Not applicable

SYSC 8		
SYSC 8.1.9R	Not applicable	Not applicable
SYSC 8.1.10R	Not applicable	Not applicable
SYSC 8.1.11R	Not applicable	Not applicable
SYSC 8.1.11AG	Not applicable	Not applicable
SYSC 8.1.12G	Not applicable	Not applicable
SYSC 8.1.13R	Not applicable	Not applicable
SYSC 8.1.14G	Not applicable	Not applicable
SYSC 9		
SYSC 9.1.-2G	Not applicable	Not applicable
SYSC 9.1.-1G	Guidance	Guidance
SYSC 9.1.1R	Not applicable	Not applicable
SYSC 9.1.1AR	Rule	Rule
SYSC 9.1.2R	Rule	Not applicable
SYSC 9.1.2AR	Rule in relation to <i>insurance distribution activities</i>	Rule in relation to insurance distribution activities
SYSC 9.1.2BG	Guidance in relation to <i>insurance distribution activities</i>	Guidance in relation to <i>insurance distribution activities</i>
SYSC 9.1.2CEU	EU	EU
	Directly applicable to a <i>firm</i> carrying on <i>insurance distribution</i> in relation to <i>insurance-based investment products</i>	Directly applicable to a <i>firm</i> carrying on <i>insurance distribution</i> in relation to <i>insurance-based investment products</i>
SYSC 9.1.2DR	Rule in relation to <i>insurance distribution activities</i>	Rule in relation to <i>insurance distribution activities</i>
SYSC 9.1.4G	Guidance	Guidance
SYSC 9.1.5G	Guidance	Guidance
SYSC 9.1.6G	Guidance	Guidance
SYSC 9.1.6AG	Guidance in relation to <i>insurance distribution activities</i>	Guidance in relation to <i>insurance distribution activities</i>
SYSC 10		
SYSC 10.1.-4G	Guidance in relation to <i>insurance distribution activities</i>	Guidance in relation to <i>insurance distribution activities</i>
SYSC 10.1.-3G	Rule in relation to <i>insurance distribution activities</i>	Rule in relation to <i>insurance distribution activities</i>
SYSC 10.1.-2G	Not applicable	Not applicable
SYSC 10.1.-1G	Guidance	Guidance
SYSC 10.1.1R	Rule	Rule
SYSC 10.1.1AR	Not applicable	Not applicable
SYSC 10.1.2G	Guidance	Guidance
SYSC 10.1.3R	Rule	Rule
SYSC 10.1.4R	Rule	Guidance – but applies as a rule in relation to the production or arrangement of investment research, or the production or dissemination of non-independent

SYSC 10		
		research, in accordance with COBS 12.2
SYSC 10.1.4AG	Not applicable	Guidance
SYSC 10.1.4BR	Rule in relation to <i>insurance distribution activities</i>	Rule in relation to <i>insurance distribution activities</i>
SYSC 10.1.4CR	Rule in relation to <i>insurance distribution activities</i>	Rule in relation to <i>insurance distribution activities</i>
SYSC 10.1.5G	Guidance	Guidance
SYSC 10.1.6R	Rule	Guidance – but applies as a rule in relation to: (a) the production or arrangement of investment research, or the production or dissemination of non-independent research, in accordance with COBS 12.2; and (b) <i>insurance distribution activities</i>
SYSC 10.1.6AG	Not applicable	Guidance
SYSC 10.1.6AAR	Rule in relation to <i>insurance distribution activities</i>	Rule in relation to <i>insurance distribution activities</i>
SYSC 10.1.6BG	Not applicable	Guidance
SYSC 10.1.7R	Rule	Rule
SYSC 10.1.7AR	Rule in relation to <i>insurance distribution activities</i>	Rule in relation to <i>insurance distribution activities</i>
SYSC 10.1.8R	Rule	Rule
SYSC 10.1.9G	Guidance	Guidance
SYSC 10.1.9AR	Rule in relation to <i>insurance distribution activities</i> . Otherwise not applicable	Rule in relation to <i>insurance distribution activities</i> . Otherwise not applicable
SYSC 10.1.10R	Rule	Guidance – but applies as a rule in relation to: (a) the production or arrangement of investment research, or the production or dissemination of non-independent research, in accordance with COBS 12.2; and (b) <i>insurance distribution activities</i>
SYSC 10.1.11R	Rule	Guidance – but applies as a rule in relation to: (i) the production or arrangement of investment research, or the production or dissemination of non-independent research, in accordance with COBS 12.2; and (ii) <i>insurance distribution activities</i>
SYSC 10.1.11AG	Not applicable	Guidance
SYSC 10.1.11AAR	Rule in relation to <i>insurance distribution activities</i>	Rule in relation to <i>insurance distribution activities</i>
SYSC 10.1.11ABR	Rule in relation to <i>insurance distribution activities</i>	Rule in relation to <i>insurance distribution activities</i>
SYSC 10.1.11BG	Not applicable	Guidance
SYSC 10.1.12G	Guidance	Guidance

SYSC 10		
SYSC 10.1.16R	Not applicable	Not applicable
SYSC 10.1.17R	Not applicable	Not applicable
SYSC 10.1.18G	Not applicable	Not applicable
SYSC 10.1.19R	Not applicable	Not applicable
SYSC 10.1.20R	Not applicable	Not applicable
SYSC 10.1.21R	Not applicable	Not applicable
SYSC 10.1.22R	Not applicable	Not applicable
SYSC 10.1.23R	Not applicable	Not applicable
SYSC 10.1.24R	Not applicable	Not applicable
SYSC 10.1.25R	Not applicable	Not applicable
SYSC 10.1.26R	Not applicable	Not applicable
SYSC 10.1.27G	Not applicable	Not applicable
SYSC 10.1A	EU	EU
	Directly applicable to a <i>firm</i> carrying on <i>insurance distribution</i> in relation to <i>insurance-based investment products</i>	Directly applicable to a <i>firm</i> carrying on <i>insurance distribution</i> in relation to <i>insurance-based investment products</i>
SYSC 10.2.1R	Rule	Rule
SYSC 10.2.2R	Rule	Rule
SYSC 10.2.3G	Guidance	Guidance
SYSC 10.2.4R	Rule	Rule
SYSC 10.2.5G	Guidance	Guidance

Table C:

Part 1: Application of the requirements in articles 1(2), 21 to 25, 30 to 32 and 72 of the MiFID Org Regulation to MiFID optional exemption firms and third country firms

Provision MiFID Org Regulation	Text of the MiFID Org Regulation as of:	MiFID optional exemption firm	Third country firm
Article 1 – Subject-matter and scope	(2) 31/3/2017	Not applicable	Not applicable
Article 21 – General organisational requirements	(1) 31/3/2017	Rule	(a), (b) and (g): Guidance; (c), (d), (e), (f) and final paragraph: Rule
	(2)	Rule	Rule
	(3)	Rule	Guidance
	(4)	Rule	Guidance
	(5)	Rule	Guidance
Article 22 – Compliance	(1) 31/3/2017	Guidance	Guidance
	(2)	Guidance	Guidance
	(3)	Guidance	(a), (c), (d) and (e): Guidance; (b): Rule
	(4)	Guidance	Guidance

Provision MiFID Org Regulation	Text of the MiFID Org Regulation as of:	MiFID optional exemption firm	Third country firm
Article 23 – Risk management	31/3/2017	Guidance	Guidance
Article 24 – Internal audit	31/3/2017	Guidance	Guidance
Article 25 – Responsibility of senior management	31/3/2017	Guidance	(1): Rule; (2), (3) and (4): Guidance
Article 30 – Scope of critical and important operational functions	31/3/2017	Guidance	Guidance
Article 31 – Outsourcing critical or important operational functions	31/3/2017	(1): Rule; (2), (3), (4) and (5): Guidance	(1): Rule; (2), (3), (4) and (5): Guidance
Article 32(1) and (2) – Service providers located in third countries	31/3/2017	Rule	Guidance
Article 72 – Retention of records	31/3/2017	Rule	Guidance

Part 2: Articles 1(2), 21 to 25, 30 to 32 and 72 of the MiFID Org Regulation

EU	Article 1 - Subject-matter and scope		
	2	References to investment firms shall encompass credit institutions and references to financial instruments shall encompass structured deposits in relation to all the requirements referred to in Article 1(3) and 1(4) of Directive 2014/65/EU and their implementing provisions as set out under this Regulation.	
EU	Article 21 - General organisational requirements		
	1	Investment firms shall comply with the following organisational requirements:	
		(a) establish, implement and maintain decision-making procedures and an organisational structure which clearly and in documented manner specifies reporting lines and allocates functions and responsibilities;	
		(b) ensure that their relevant persons are aware of the procedures which must be followed for the proper discharge of their responsibilities;	
		(c) establish, implement and maintain adequate internal control mechanisms designed to secure compliance with decisions and procedures at all levels of the investment firm;	
		(d) employ personnel with the skills, knowledge and expertise necessary for the discharge of the responsibilities allocated to them;	
		(e) establish, implement and maintain effective internal reporting and communication of information at all relevant levels of the investment firm;	
		(f) maintain adequate and orderly records of their business and internal organisation;	

(g) ensure that the performance of multiple functions by their relevant persons does not and is not likely to prevent those persons from discharging any particular function soundly, honestly, and professionally.

When complying with the requirements set out in the this paragraph, investment firms shall take into account the nature, scale and complexity of the business of the firm, and the nature and range of investment services and activities undertaken in the course of that business.

- 2 Investment firms shall establish, implement and maintain systems and procedures that are adequate to safeguard the security, integrity and confidentiality of information, taking into account the nature of the information in question.
- 3 Investment firms shall establish, implement and maintain an adequate business continuity policy aimed at ensuring, in the case of an interruption to their systems and procedures, the preservation of essential data and functions, and the maintenance of investment services and activities, or, where that is not possible, the timely recovery of such data and functions and the timely resumption of their investment services and activities.
- 4 Investment firms shall establish, implement and maintain accounting policies and procedures that enable them, at the request of the competent authority, to deliver in a timely manner to the competent authority financial reports which reflect a true and fair view of their financial position and which comply with all applicable accounting standards and rules.
- 5 Investment firms shall monitor and, on a regular basis, evaluate the adequacy and effectiveness of their systems, internal control mechanisms and arrangements established in accordance with paragraphs 1 to 4, and take appropriate measures to address any deficiencies.

EU

Article 22 - Compliance

- 1 Investment firms shall establish, implement and maintain adequate policies and procedures designed to detect any risk of failure by the firm to comply with its obligations under Directive 2014/65/EU, as well as the associated risks, and put in place adequate measures and procedures designed to minimise such risk and to enable the competent authorities to exercise their powers effectively under that Directive.

Investment firms shall take into account the nature, scale and complexity of the business of the firm, and the nature and range of investment services and activities undertaken in the course of that business.
- 2 Investment firms shall establish and maintain a permanent and effective compliance function which operates independently and which has the following responsibilities:
 - (a) to monitor on a permanent basis and to assess, on a regular basis, the adequacy and effectiveness of the measures, policies and procedures put in place in accordance with the first subparagraph of paragraph 1, and the actions taken to address any deficiencies

- (b) in the firm's compliance with its obligations;
- (b) to advise and assist the relevant persons responsible for carrying out investment services and activities to comply with the firm's obligations under Directive 2014/65/EU;
- (c) to report to the management body, on at least an annual basis, on the implementation and effectiveness of the overall control environment for investment services and activities, on the risks that have been identified and on the complaints-handling reporting as well as remedies undertaken or to be undertaken;
- (d) to monitor the operations of the complaints-handling process and consider complaints as a source of relevant information in the context of its general monitoring responsibilities.

In order to comply with points (a) and (b) of this paragraph, the compliance function shall conduct an assessment on the basis of which it shall establish a risk-based monitoring programme that takes into consideration all areas of the investment firm's investment services, activities and any relevant ancillary services, including relevant information gathered in relation to the monitoring of complaints handling. The monitoring programme shall establish priorities determined by the compliance risk assessment ensuring that compliance risk is comprehensively monitored.

3

In order to enable the compliance function referred to in paragraph 2 to discharge its responsibilities properly and independently, investment firms shall ensure that the following conditions are satisfied:

- (a) the compliance function has the necessary authority, resources, expertise and access to all relevant information;
- (b) a compliance officer is appointed and replaced by the management body and is responsible for the compliance function and for any reporting as to compliance required by Directive 2014/65/EU and Article 25(2) of this Regulation;
- (c) the compliance function reports on an ad-hoc basis directly to the management body where it detects a significant risk of failure by the firm to comply with its obligations under Directive 2014/65/EU;
- (d) the relevant persons involved in the compliance function are not involved in the performance of services or activities they monitor;
- (e) the method of determining the remuneration of the relevant persons involved in the compliance function

does not compromise their objectivity and is not likely to do so.

4 An investment firm shall not be required to comply with point (d) or point (e) of paragraph 3 where it is able to demonstrate that in view of the nature, scale and complexity of its business, and the nature and range of investment services and activities, the requirements under point (d) or (e) are not proportionate and that its compliance function continues to be effective. In that case, the investment firm shall assess whether the effectiveness of the compliance function is compromised. The assessment shall be reviewed on a regular basis.

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Article 23 - Risk management

1 Investment firms shall take the following actions relating to risk management:

- (a) establish, implement and maintain adequate risk management policies and procedures which identify the risks relating to the firm's activities, processes and systems, and where appropriate, set the level of risk tolerated by the firm;
- (b) adopt effective arrangements, processes and mechanisms to manage the risks relating to the firm's activities, processes and systems, in light of that level of risk tolerance;
- (c) monitor the following:
 - (i) the adequacy and effectiveness of the investment firm's risk management policies and procedures;
 - (ii) the level of compliance by the investment firm and its relevant persons with the arrangements, processes and mechanisms adopted in accordance with point (b);
 - (iii) the adequacy and effectiveness of measures taken to address any deficiencies in those policies, procedures, arrangements, processes and mechanisms, including failures by the relevant persons to comply with such arrangements, processes

and mechanisms or follow such policies and procedures.

- 2
- Investment firms shall, where appropriate and proportionate in view of the nature, scale and complexity of their business and the nature and range of the investment services and activities undertaken in the course of that business, establish and maintain a risk management function that operates independently and carries out the following tasks:
- (a) implementation of the policy and procedures referred to in paragraph 1;
 - (b) provision of reports and advice to senior management in accordance with Article 25(2).

Where an investment firm does not establish and maintain a risk management function under the first sub-paragraph, it shall be able to demonstrate upon request that the policies and procedures which it has adopted in accordance with paragraph 1 satisfy the requirements therein.

EU

Article 24 - Internal audit

Investment firms shall, where appropriate and proportionate in view of the nature, scale and complexity of their business and the nature and range of investment services and activities undertaken in the course of that business, establish and maintain an internal audit function which is separate and independent from the other functions and activities of the investment firm and which has the following responsibilities:

- (a) establish, implement and maintain an audit plan to examine and evaluate the adequacy and effectiveness of the investment firm's systems, internal control mechanisms and arrangements;
- (b) issue recommendations based on the result of work carried out in accordance with point (a) and verify compliance with those recommendations;
- (c) report in relation to internal audit matters in accordance with Article 25(2).

EU

Article 25 - Responsibility of senior management

1

Investment firms shall, when allocating functions internally, ensure that senior management, and, where applicable, the supervisory function, are responsible for ensuring that the firm complies with its obligations under Directive 2014/65/EU. In particular, senior management and, where applicable, the supervisory function shall be required to assess and periodically review the effectiveness of the policies, arrangements and procedures put in place to comply with the obligations under Directive 2014/65/EU and to take appropriate measures to address any deficiencies.

The allocation of significant functions among senior managers shall clearly establish who is responsible for overseeing and maintaining the firm's organisational requirements. Records of the allocation of significant functions shall be kept up-to-date.

	2	Investment firms shall ensure that their senior management receive on a frequent basis, and at least annually, written reports on the matters covered by Articles 22, 23 and 24 indicating in particular whether the appropriate remedial measures have been taken in the event of any deficiencies.
	3	Investment firms shall ensure that where there is a supervisory function, it receives written reports on the matters covered by Articles 22, 23 and 24 on a regular basis.
	4	For the purposes of this Article, the supervisory function shall be the function within an investment firm responsible for the supervision of its senior management.
EU		Article 30 - Scope of critical and important operational functions
	1	For the purposes of the first subparagraph of Article 16(5) of Directive 2014/65/EU, an operational function shall be regarded as critical or important where a defect or failure in its performance would materially impair the continuing compliance of an investment firm with the conditions and obligations of its authorisation or its other obligations under Directive 2014/65/EU, or its financial performance, or the soundness or the continuity of its investment services and activities.
	2	Without prejudice to the status of any other function, the following functions shall not be considered as critical or important for the purposes of paragraph 1: <ul style="list-style-type: none"> (a) the provision to the firm of advisory services, and other services which do not form part of the investment business of the firm, including the provision of legal advice to the firm, the training of personnel of the firm, billing services and the security of the firm's premises and personnel; (b) the purchase of standardised services, including market information services and the provision of price feeds.
EU		Article 31 - Outsourcing critical or important operational functions
	1	Investment firms outsourcing critical or important operational functions shall remain fully responsible for discharging all of their obligations under Directive 2014/65/EU and shall comply with the following conditions: <ul style="list-style-type: none"> (a) the outsourcing does not result in the delegation by senior management of its responsibility; (b) the relationship and obligations of the investment firm towards its clients under the terms of Directive 2014/65/EU is not altered; (c) the conditions with which the investment firm must comply in order to be authorised in accordance with Article 5 of Directive 2014/65/EU, and to remain so, are not undermined; (d) none of the other conditions subject to which the firm's authorisation was granted is removed or modified.

2

Investment firms shall exercise due skill, care and diligence when entering into, managing or terminating any arrangement for the outsourcing to a service provider of critical or important operational functions and shall take the necessary steps to ensure that the following conditions are satisfied:

- (a) the service provider has the ability, capacity, sufficient resources, appropriate organisational structure supporting the performance of the outsourced functions, and any authorisation required by law to perform the outsourced functions, reliably and professionally;
- (b) the service provider carries out the outsourced services effectively and in compliance with applicable law and regulatory requirements, and to this end the firm has established methods and procedures for assessing the standard of performance of the service provider and for reviewing on an ongoing basis the services provided by the service provider;
- (c) the service provider properly supervises the carrying out of the outsourced functions, and adequately manage the risks associated with the outsourcing;
- (d) appropriate action is taken where it appears that the service provider may not be carrying out the functions effectively or in compliance with applicable laws and regulatory requirements;
- (e) the investment firm effectively supervises the outsourced functions or services and manage the risks associated with the outsourcing and to this end the firm retains the necessary expertise and resources to supervise the outsourced functions effectively and manage those risks;
- (f) the service provider has disclosed to the investment firm any development that may have a material impact on its ability to carry out the outsourced functions effectively and in compliance with applicable laws and regulatory requirements;
- (g) the investment firm is able to terminate the arrangement for outsourcing where necessary, with immediate effect when this is in the interests of its clients, without detriment to the continuity and quality of its provision of services to clients;

	(h)	the service provider cooperates with the competent authorities of the investment firm in connection with the outsourced functions;
	(i)	the investment firm, its auditors and the relevant competent authorities have effective access to data related to the outsourced functions, as well as to the relevant business premises of the service provider, where necessary for the purpose of effective oversight in accordance with this article, and the competent authorities are able to exercise those rights of access;
	(j)	the service provider protects any confidential information relating to the investment firm and its clients;
	(k)	the investment firm and the service provider have established, implemented and maintained a contingency plan for disaster recovery and periodic testing of backup facilities, where that is necessary having regard to the function, service or activity that has been outsourced;
	(l)	the investment firm has ensured that the continuity and quality of the outsourced functions or services are maintained also in the event of termination of the outsourcing either by transferring the outsourced functions or services to another third party or by performing them itself.
3		The respective rights and obligations of the investment firms and of the service provider shall be clearly allocated and set out in a written agreement. In particular, the investment firm shall keep its instruction and termination rights, its rights of information, and its right to inspections and access to books and premises. The agreement shall ensure that outsourcing by the service provider only takes place with the consent, in writing, of the investment firm.
4		Where the investment firm and the service provider are members of the same group, the investment firm may, for the purposes of complying with this Article and Article 32, take into account the extent to which the firm controls the service provider or has the ability to influence its actions.
5		Investment firms shall make available on request to the competent authority all information necessary to enable the authority to supervise the compliance of the performance of the outsourced functions with the requirements of Directive 2014/65/EU and its implementing measures.
EU	Article 32 - Service providers located in third countries	
	1	In addition to the requirements set out in Article 31, where an investment firm outsources functions related to the investment service of portfolio management provided to clients to a service provider located in a third country, that investment firm ensures that the following conditions are satisfied:

		(a)	the service provider is authorised or registered in its home country to provide that service and is effectively supervised by a competent authority in that third country;
		(b)	there is an appropriate cooperation agreement between the competent authority of the investment firm and the supervisory authority of the service provider.
	2		The cooperation agreement referred to in point (b) of paragraph 1 shall ensure that the competent authorities of the investment firm are able, at least, to:
		(a)	obtain on request the information necessary to carry out their supervisory tasks pursuant to Directive 2014/65/EU and Regulation (EU) No 600/2014;
		(b)	obtain access to the documents relevant for the performance of their supervisory duties maintained in the third country;
		(c)	receive information from the supervisory authority in the third country as soon as possible for the purpose of investigating apparent breaches of the requirements of Directive 2014/65/EU and its implementing measures and Regulation (EU) No 600/2014;
		(d)	cooperate with regard to enforcement, in accordance with the national and international law applicable to the supervisory authority of the third country and the competent authorities in the Union in cases of breach of the requirements of Directive 2014/65/EU and its implementing measures and relevant national law.
	3		Competent authorities shall publish on their website a list of the supervisory authorities in third countries with which they have a cooperation agreement referred to in point (b) of paragraph 1.
			Competent authorities shall update cooperation agreements concluded before the date of entry into application of this Regulation within six months from that date.
EU	Article 72 - Retention of records		
	1		The records shall be retained in a medium that allows the storage of information in a way accessible for future reference by the competent authority, and in such a form and manner that the following conditions are met:
		(a)	the competent authority is able to access them readily and to reconstitute each key stage of the processing of each transaction;
		(b)	it is possible for any corrections or other amendments, and the contents of the records prior to such corrections

		or amendments, to be easily ascertained;
	(c)	it is not possible for the records otherwise to be manipulated or altered;
	(d)	it allows IT or any other efficient exploitation when the analysis of the data cannot be easily carried out due to the volume and the nature of the data; and
	(e)	the firm's arrangements comply with the record keeping requirements irrespective of the technology used.
2		Investment firms shall keep at least the records identified in Annex I to this Regulation depending upon the nature of their activities. The list of records identified in Annex I to this Regulation is without prejudice to any other record-keeping obligations arising from other legislation.
3		Investment firms shall also keep records of any policies and procedures they are required to maintain pursuant to Directive 2014/65/EU, Regulation (EU) No 600/2014, Directive 2014/57/EU and Regulation (EU) No 596/2014 and their respective implementing measures in writing. Competent authorities may require investment firms to keep additional records to the list identified in Annex I to this Regulation.