

## Senior management arrangements, Systems and Controls

### SYSC TP 2

#### Firms other than common platform firms, insurers, managing agents and the Society

(1)	(2)	(3)	(4)	(5)	(6)
	Material to which the transitional provision applies		Transitional provision	Transitional provision: dates in force	Handbook provisions: Coming into force
2.1 [FCA] [PRA]	SYSC 8.1	R	If a <i>firm</i> other than a <i>common platform firm, insurer, managing agent</i> or the <i>Society</i> has in force on 1 April 2009 <i>outsourcing</i> arrangements which would be covered by SYSC 8.1 it need not amend those contracts to comply with these provisions but should comply with the new rules and guidance in respect of any <i>outsourcing</i> contracts which are entered into, or materially amended, on or after 1 April 2009.	1 April 2009 indefinitely	1 April 2009
2.2 [FCA]	The changes to SYSC set out in Annex D of the Alternative Investment Fund Managers Dir-	R	[expired]		

(1)	(2)	(3)	(4)	(5)	(6)
	ective Instru- ment 2013				
2.3 [FCA]	SYSC 4.2.2 R to SYSC 4.2.5 G, SYSC 9.1.2 R and SYSC 9.1.3 R	R	[expired]		
2.4 [FCA]	SYSC 4.1.8A R to SYSC 4.1.8E R and 4.1.9AR	R	[expired]		

## Senior Management Arrangements, Systems and Contro

### SYSC TP 3 Remuneration codes

Part A		IFPRU Remuneration Code	
1	R	[deleted]	
2	R	[deleted]	
3	R	[deleted]	
4	G	[deleted]	
5	G	[deleted]	
6[FCA][PRA]	R	[expired]	
6A[FCA] [PRA]	R	(1)	Paragraph (2) applies in relation to a <i>firm</i> that was not subject to the version of the <i>Remuneration Code</i> that applied before 1 January 2011 but satisfies at least one of the conditions set out in SYSC 19A.3.54 R (1B) to SYSC 19A.3.54 R (1D).
		(2)	Where this paragraph applies, a contravening provision that is contained in an agreement made before 3 November 2011 is not rendered void by SYSC 19A Annex 1.1R unless it is subsequently amended so as to contravene a rule to which SYSC 19A Annex 1.1R applies.
6B[FCA] [PRA]	G		The effect of 6R is to limit the provisions on voiding and recovery to <i>firms</i> which were subject to the version of the <i>Remuneration Code</i> which applied before 1 January 2011. That transitional provision comes to an end on 1 January 2012. A new limit providing for voiding to apply only in relation to certain types of firm is provided in SYSC 19A.3.54 R (1B) to SYSC 19A.3.54 R (1D). Paragraph 6AR applies to <i>firms</i> which become subject to the provisions on voiding after the transitional provision in 6R comes to an end. It prevents certain contravening provisions which predate the making of the new <i>rules</i> limiting the application of voiding from becoming void.
7	G	[expired]	

Part B		UCITS Remuneration Code			
(1)	(2) Material to which the transitional provision applies	(3) Transitional provision	(4) Transitional provision: date in force	(5) Handbook provisions: coming into force	
1	The <i>UCITS</i> remuneration principles	R	A <i>management company</i> need not apply the <i>UCITS remuneration principles</i> to any awards of variable <i>remuneration</i> until it commences its first full performance year starting on or after 18 March 2016.	From 18 March 2016 until 18 March 2017	18 March 2016



## Senior Management Arrangements, Systems and Controls

### SYSC TP 5

### Financial Services (Banking Reform) Act 2013: Certification and regulatory references

Note to the reader			
5.1.1-2	G	(1)	SYSC TP 5 has not been amended to reflect changes in the <i>FCA Handbook</i> and <i>Glossary</i> since the beginning of 2018. This is because it is made up of transitional provisions that mostly expired before then.
		(2)	A small number of provisions may have effect beyond that date. To help the reader, the table in SYSC TP 5.1.1-1G explains how superseded <i>Glossary</i> terms in SYSC TP 5 should be interpreted.
5.1.1-1	G	Table: meaning of superseded Glossary terms	

Term in SYSC TP 5	Term that has replaced it	Comment
FCA specified significant-harm function	<i>FCA certification function</i>	
full scope regulatory reference firm	Any of the following: (a) an <i>SMCR banking firm</i> ; (b) a <i>Solvency II firm</i> ; or (c) a <i>large non-directive insurer</i> .	SYSC TP 5.4.2R refers to SYSC 22.2.1R (Obligation to obtain a regulatory reference). On 7 March 2017 (the date referred to in SYSC TP 5.4.2R), SYSC 22.2.1R applied to what were then called full scope regulatory reference firms.
relevant authorised person	<i>SMCR banking firm</i>	
specified significant-harm function	<i>certification function</i>	

Purpose of SYSC TP 5			
SYSC 5.1.1	G	SYSC TP 5:	
		(1)	explains how the certification regime described in SYSC 5.2 applies during the transitional period between 7 March 2016 and 7 March 2017 described in SYSC TP 5.3.1G; and
		(2)	has certain transitional provisions dealing with SYSC 22 (Regulatory references).
5.1.2	G	SYSC TP 5 deals with transitional issues that relate to changes to the <i>Handbook</i> that come into force in 2016 and 2017.	
Application			
SYSC 5.2.1	G	(1)	All of SYSC TP 5 applies to <i>relevant authorised persons</i> .
		(2)	SYSC TP 5.1, SYSC TP 5.2 and SYSC TP 5.5 apply to all <i>firms</i> .
Certification: The transitional period			

SYSC 5.3.1	G	The obligation in section 63E(1) of the <i>Act</i> for a <i>relevant authorised person</i> to take reasonable care to ensure that no <i>employee</i> of the <i>firm</i> performs an <i>FCA specified significant-harm function</i> , unless the <i>firm</i> has issued the <i>employee</i> with a valid certificate, does not apply until the end of the transitional period.
SYSC 5.3.2	G	However, other parts of the <i>Handbook</i> and the <i>Act</i> about <i>certification employees</i> apply in the transitional period.
SYSC 5.3.3	G	The table in <i>SYSC TP 5.3.4G</i> explains how the requirements of the <i>Handbook</i> and the <i>Act</i> about <i>certification employees</i> apply in the transitional period.
SYSC 5.3.4	G	Table: How the certification regime applies in the transitional period

Provision in the Act or the Handbook	What that provision is about	How it applies in the transitional period
Definition of <i>certification employee</i>		During the transitional period, the <i>Glossary</i> definition of <i>certification employee</i> covers everyone who would need a certificate to perform their job if the obligation to issue certificates was in force
SYSC 27.2.3G to SYSC 5.2.17G	<i>Guidance</i> about issuing certificates and fitness	Does not apply
SYSC 27.6.1R to SYSC 27.8.31G	Definition of who falls into the certification regime	Applies for the purpose of those parts of the <i>Handbook</i> and the <i>Act</i> that are in force as described in this table.
The parts of SYSC 4.5 dealing with the <i>management responsibilities map</i>	SYSC 4.5 says that the <i>management responsibilities map</i> should say if <i>persons</i> described or identified in the <i>management responsibilities map</i> are <i>certification employees</i>	Applies to everyone who would need a certificate to perform their job if the obligation to issue certificates was in force.
COCON		Applies to everyone who would need a certificate to perform their job if the obligation to issue certificates was in force.  This applies even if they have not been notified that: (a) <i>COCON</i> applies to them; or (b) of the <i>rules</i> that apply to them.  Applies to those who would have been excluded from the certification regime by SYSC 27.5.1R (Scope: emergency appointments).
Section 64B of the <i>Act</i>	<i>Firm</i> should ensure that all <i>persons</i> subject to <i>COCON</i> are notified  <i>Firm</i> should take reasonable steps to ensure that those <i>persons</i> understand how <i>COCON</i> applies to them.	Applies to everyone who would need a certificate to perform their job if the obligation to issue certificates was in force.

Provision in the Act or the Handbook	What that provision is about	How it applies in the transitional period
Definition of <i>certification employee</i>		During the transitional period, the <i>Glossary</i> definition of <i>certification employee</i> covers everyone who would need a certificate to perform their job if the obligation to issue certificates was in force
The parts of SUP 15.3 that deal with COCON breaches	Notifying a significant breach of COCON to the FCA	Applies to everyone who would need a certificate to perform their job if the obligation to issue certificates was in force.
Section 64C of the Act and SUP 15.11	Notifying the FCA of disciplinary action	Applies to everyone who would need a certificate to perform their job if the obligation to issue certificates was in force.
Transitional provisions about regulatory references: Full scope regulatory reference firms		
SYSC 5.4.1	R	(1) If on 7 March 2017 an <i>employee</i> (P) is already performing a <i>specified significant-harm function</i> for a <i>relevant authorised person</i> (A), the obligation under SYSC 22 (Regulatory references) for A to obtain a reference when issuing a certificate for P for that <i>significant-harm function</i> does not apply.  (2) Paragraph (1) ceases to apply if there has been a significant change in P's responsibilities forming part of that <i>specified significant-harm function</i> as compared to the position on 7 March 2017.
5.4.2	R	SYSC 22.2.1R (Obligation to obtain a regulatory reference) does not apply to an application for approval as an <i>approved person</i> that is made before 7 March 2017 but that has not yet been finally determined by that date.
SYSC 5.4.3	G	(1) SYSC 22.7.5G to SYSC 22.7.8G (Asking for a reference to be updated) deal with a <i>full scope regulatory reference firm</i> (A) that is obliged to get a reference from an <i>ex-employer</i> (B) and wants to rely on one that B has already given A.  (2) The SYSC material referred to in (1) can apply where the reference was given before 7 March 2017.  (3) One relevant factor is whether B is a <i>full scope regulatory reference firm</i> . This is because the FCA requirements about <i>firms</i> asked to give regulatory references that applied to <i>firms</i> that are not <i>full scope regulatory reference firms</i> before 7 March 2017 were similar to those in SYSC 22. As such, the existing reference may already be sufficient.  (4) The main difference between the requirements for a <i>firm</i> that is not a <i>full scope regulatory reference firm</i> before and after 7 March 2017 is that the range of functions for which A is entitled to ask for a reference was widened. For example, there was no obligation to supply a reference for a <i>certification employee</i> before then.
SYSC 5.4.4	G	SYSC 22.2.4R (Obligation to revise references) does not apply to references given before 7 March 2017.
SYSC 5.4.5	R	Question (F) (disciplinary action) in Part One of SYSC 22 Annex 1R (Template for regulatory references given by relevant authorised persons and disclosure requirements) does not require disclosure of breaches of individual conduct requirements referred to in question (F) if the disciplinary action referred to in that item took place before:  (1) (in the case of a <i>relevant authorised person</i> ) 7 March 2016; or  (2) (in the case of any other <i>full scope regulatory reference firm</i> ) 7 March 2017;

if the *firm's* records do not show whether the conduct that was subject to disciplinary action amounted to a breach of those individual conduct requirements.

Transitional provisions about regulatory references: All firms

SYSC  
5.5.1

R

If a *firm* (A) asks another *firm* (B) for a reference before 7 March 2017, SYSC 22 (Regulatory references) applies to B if B gives the reference after that date.

SYSC  
5.5.2

G

SYSC 22 applies to a reference requested or given after 7 March 2017 even if the matters covered by the reference occurred before then.



## Senior Management Arrangements, Systems and Controls

### SYSC TP 6 Transitional Provision 6

(1)	(2) Material to which the transitional provision applies	(3)	(4) Transitional provision	(5) Transitional provision: dates in force	(6) Handbook provisions: coming into force
1.	SYSC 2.2.4	R	[expired]		
2.	SYSC 2.1.3A	R	[expired]		
3.	SYSC 2.2.6		[expired]		
4.	SYSC 2.1.3C	R	[expired]		
5.	SYSC 2.2.1R and SYSC 2.2.1AR	R	A <i>firm</i> must continue to retain the records it was required to make and retain under SYSC 2.2.1R before its disapplication to the <i>firm</i> under SYSC 2.2.1AR, for as long as SYSC 2.2.1R required before its disapplication.	From 1 January 2016 until the date that the records are no longer required to be retained.	1 January 2016
6	SYSC 27.7.3R (row 2) and SYSC 5.2.33R	R	[deleted]		
7	SYSC 14.1.2AR	R	The <i>rule</i> in column 2, as it was in force on 28 June 2018, continues to apply to a <i>benchmark administrator</i> , until that administrator becomes authorised or registered under the <i>benchmarks regulation</i> , or ceases to be authorised for administering a specified <i>benchmark</i> .	From 29 June 2018	Already in force



# Bank of England and Financial Services Act 2016: Certification and regulatory references

## SYSC TP 7

### Bank of England and Financial Services Act 2016: Certification and regulatory references

7.1		Application, purpose and definitions								
7.1.1	R	SYSC TP 7 applies as set out in the table in SYSC TP 7.1.2R.								
7.1.2	R	Table: Application of SYSC TP 7								
		<table border="1"> <thead> <tr> <th>Type of firm</th> <th>Parts of SYSC TP 7 that apply</th> </tr> </thead> <tbody> <tr> <td>An <i>SMCR insurance firm</i> except one in the following row</td> <td>All applies</td> </tr> <tr> <td>An <i>SMCR insurance firm</i> that is a <i>Solvency II firm</i> (including a <i>large non-directive insurer</i>)</td> <td>All applies except as follows: (1) SYSC TP 7.4.2R to SYSC TP 7.4.3G do not apply. (2) Subject to (3), SYSC TP 7.4.4R and SYSC TP 7.4.5G do not apply. (3) SYSC TP 7.4.4R and SYSC TP 7.4.5G apply where the requirement to obtain a reference arises under SYSC 22.2.1R(1)(b) (certification).</td> </tr> <tr> <td>All other <i>firms</i></td> <td>Does not apply, except as follows. SYSC TP 7.4.6R, SYSC TP 7.4.7G and SYSC TP 7.6 apply. SYSC TP 7.5 applies to the firms specified in SYSC TP 7.5.</td> </tr> </tbody> </table>	Type of firm	Parts of SYSC TP 7 that apply	An <i>SMCR insurance firm</i> except one in the following row	All applies	An <i>SMCR insurance firm</i> that is a <i>Solvency II firm</i> (including a <i>large non-directive insurer</i> )	All applies except as follows: (1) SYSC TP 7.4.2R to SYSC TP 7.4.3G do not apply. (2) Subject to (3), SYSC TP 7.4.4R and SYSC TP 7.4.5G do not apply. (3) SYSC TP 7.4.4R and SYSC TP 7.4.5G apply where the requirement to obtain a reference arises under SYSC 22.2.1R(1)(b) (certification).	All other <i>firms</i>	Does not apply, except as follows. SYSC TP 7.4.6R, SYSC TP 7.4.7G and SYSC TP 7.6 apply. SYSC TP 7.5 applies to the firms specified in SYSC TP 7.5.
Type of firm	Parts of SYSC TP 7 that apply									
An <i>SMCR insurance firm</i> except one in the following row	All applies									
An <i>SMCR insurance firm</i> that is a <i>Solvency II firm</i> (including a <i>large non-directive insurer</i> )	All applies except as follows: (1) SYSC TP 7.4.2R to SYSC TP 7.4.3G do not apply. (2) Subject to (3), SYSC TP 7.4.4R and SYSC TP 7.4.5G do not apply. (3) SYSC TP 7.4.4R and SYSC TP 7.4.5G apply where the requirement to obtain a reference arises under SYSC 22.2.1R(1)(b) (certification).									
All other <i>firms</i>	Does not apply, except as follows. SYSC TP 7.4.6R, SYSC TP 7.4.7G and SYSC TP 7.6 apply. SYSC TP 7.5 applies to the firms specified in SYSC TP 7.5.									
7.1.3	G	<p>SYSC TP 7:</p> <ol style="list-style-type: none"> <li>(1) explains how the certification regime described in SYSC 27 applies during the <b>certification transitional period</b> described in SYSC TP 7.2.1G;</li> <li>(2) has certain transitional provisions dealing with SYSC 22 (Regulatory references) and with benchmark activities; and</li> <li>(3) has certain other transitional provisions relating to the amendments made to the <i>FCA Handbook</i> by the Individual Accountability (Dual-Regulated Firms) Instrument 2018.</li> </ol>								
7.1.4	G	<ol style="list-style-type: none"> <li>(1) The main time period for which SYSC TP 7 operates is 2018 to 2019.</li> <li>(2) There are transitional provisions that can apply beyond that period. They are based on events occurring during that period.</li> </ol>								
7.1.5	R	The terms in the first column of the table in SYSC TP 7.1.6R, where they appear in bold in SYSC TP 7, have the meaning in the corresponding row of column 2 for the purposes of SYSC TP 7.								
7.1.6	R	Table: glossary of bespoke terms used in SYSC TP 7								

**Part One: General**

Defined term	Meaning
<b>insurance firms commencement SI</b>	the Bank of England and Financial Services Act 2016 (Commencement No. 5 and Transitional Provisions) Regulations 2018 (SI 2018/990)
[deleted]	[deleted]

#### Part Two: Dates

Defined term	Meaning
<b>certification transitional period</b>	the one year period beginning on 10 December 2018 and ending on 10 December 2019 referred to in regulation 2 of the <b>insurance firms commencement SI</b> (Appointed days for the coming into force of section 21 and Schedule 4 for insurers)
<b>general commencement date</b>	10 December 2018

## 7.2 Certification: The certification transitional period

- 7.2.1 G Under the **insurance firms commencement SI**, the obligation in section 63E(1) of the *Act* for an *SMCR firm* to take reasonable care to ensure that no *employee* of the *firm* performs an *FCA certification function*, unless the *firm* has issued the *employee* with a valid certificate, does not apply until the end of the **certification transitional period**.
- 7.2.2 G However, other parts of the *FCA Handbook* and the *Act* about *certification employees* apply in the **certification transitional period**.
- 7.2.3 G The table in SYSC TP 7.2.4G explains how the requirements of the *FCA Handbook* and the *Act* about *certification employees* apply in the **certification transitional period**.

7.2.4 G	Table: How the certification regime applies in the certification transitional period																											
	<table border="1"> <thead> <tr> <th>Provision in the Act or the Handbook</th> <th>What that provision is about</th> <th>How it applies in the certification transitional period</th> </tr> </thead> <tbody> <tr> <td><i>Glossary</i> definition of <i>certification employee</i></td> <td></td> <td>During the <b>certification transitional period</b>, the <i>Glossary</i> definition of <i>certification employee</i> covers everyone who would need a certificate to perform their job if the obligation to issue certificates were in force</td> </tr> <tr> <td>SYSC 27.2 and the parts of the <i>Act</i> on which it gives <i>guidance</i></td> <td>Issuing certificates and fitness</td> <td>Does not apply</td> </tr> <tr> <td>SYSC 27.3</td> <td>Territorial scope of the certification regime</td> <td></td> </tr> <tr> <td>SYSC 27.4</td> <td>General material about the scope of the certification regime</td> <td></td> </tr> <tr> <td>SYSC 27.5</td> <td>Exclusions for emergency and temporary appointments</td> <td>Applies for the purpose of those parts of the <i>FCA Handbook</i> and the <i>Act</i> that are in force as described in this table</td> </tr> <tr> <td>SYSC 27.6</td> <td>Other exclusions</td> <td></td> </tr> <tr> <td>SYSC 27.7</td> <td>Specification of functions</td> <td></td> </tr> <tr> <td>SYSC 27.8</td> <td>Definitions of the <i>FCA</i> certification functions</td> <td></td> </tr> </tbody> </table>	Provision in the Act or the Handbook	What that provision is about	How it applies in the certification transitional period	<i>Glossary</i> definition of <i>certification employee</i>		During the <b>certification transitional period</b> , the <i>Glossary</i> definition of <i>certification employee</i> covers everyone who would need a certificate to perform their job if the obligation to issue certificates were in force	SYSC 27.2 and the parts of the <i>Act</i> on which it gives <i>guidance</i>	Issuing certificates and fitness	Does not apply	SYSC 27.3	Territorial scope of the certification regime		SYSC 27.4	General material about the scope of the certification regime		SYSC 27.5	Exclusions for emergency and temporary appointments	Applies for the purpose of those parts of the <i>FCA Handbook</i> and the <i>Act</i> that are in force as described in this table	SYSC 27.6	Other exclusions		SYSC 27.7	Specification of functions		SYSC 27.8	Definitions of the <i>FCA</i> certification functions	
Provision in the Act or the Handbook	What that provision is about	How it applies in the certification transitional period																										
<i>Glossary</i> definition of <i>certification employee</i>		During the <b>certification transitional period</b> , the <i>Glossary</i> definition of <i>certification employee</i> covers everyone who would need a certificate to perform their job if the obligation to issue certificates were in force																										
SYSC 27.2 and the parts of the <i>Act</i> on which it gives <i>guidance</i>	Issuing certificates and fitness	Does not apply																										
SYSC 27.3	Territorial scope of the certification regime																											
SYSC 27.4	General material about the scope of the certification regime																											
SYSC 27.5	Exclusions for emergency and temporary appointments	Applies for the purpose of those parts of the <i>FCA Handbook</i> and the <i>Act</i> that are in force as described in this table																										
SYSC 27.6	Other exclusions																											
SYSC 27.7	Specification of functions																											
SYSC 27.8	Definitions of the <i>FCA</i> certification functions																											

7.2.4	G	Table: How the certification regime applies in the certification transitional period		
		Provision in the Act or the Handbook	What that provision is about	How it applies in the certification transitional period
		SYSC 27.9	Material relating to several FCA certification functions	
		SYSC 22	Regulatory references	Obligation to obtain a reference does not apply because the obligation to get a reference is triggered by issuing a certificate.  SYSC TP 7.4 has exemptions that apply after the <b>certification transitional period</b> .
		SYSC 25	SYSC 25 says that the <i>management responsibilities map</i> should say whether <i>persons</i> described or identified in the <i>management responsibilities map</i> are <i>certification employees</i>	Applies to everyone who would need a certificate to perform their job if the obligation to issue certificates was in force
		COCON		Applies to everyone who would need a certificate to perform their job if the obligation to issue certificates was in force.  This applies even if they have not been notified: (a) that <i>COCON</i> applies to them; or (b) of the <i>rules</i> that apply to them.  <i>COCON</i> also applies to those who would have been excluded from the certification regime by SYSC 27.5.1R (Emergency appointments) or SYSC 27.5.3R (Temporary UK role).
		Section 64B of the Act	<i>Firm</i> should ensure that all <i>persons</i> subject to <i>COCON</i> are notified  <i>Firm</i> should take reasonable steps to ensure that those <i>persons</i> understand how <i>COCON</i> applies to them.	
		The parts of SUP 15.3 that deal with <i>COCON</i> breaches	Notifying a significant breach of <i>COCON</i> to the <i>FCA</i>	Applies to everyone who would need a certificate to perform their job if the obligation to issue certificates was in force
		Section 64C of the Act and SUP 15.11	Notifying the <i>FCA</i> of disciplinary action	

### 7.3 General material about certification

- 7.3.1 G (1) SYSC 27.5.1R (Emergency appointments) allows a *firm* to appoint someone (P) to perform a function which would normally be an *FCA certification function* without P becoming a *certification employee*. There is a maximum period for which the appointment can last.
- (2) When calculating the maximum time period in (1), the *firm* need not take into account any time spent by P before the **general commencement date** performing what will become the *FCA certification function* in (1).
- (3) When a *firm*, after the end of the **certification transitional period**, is calculating the maximum time period in (1), the *firm* should take into account any time spent by P during the **certification transitional period** performing the *FCA certification function* in (1).
- 7.3.2 G (1) SYSC 27.5.1R only applies where P (as referred to in SYSC TP 7.3.1G) is providing cover for a *certification employee* whose absence is reasonably unforeseen.
- (2) SYSC 27.5.1R may still apply if the absence referred to in (1) began before the **general commencement date** or during the **certification transitional period**.
- 7.3.3 G (1) Some *FCA certification functions* only apply where the place of performance of the function has a connection with the *United Kingdom* (for example, it is carried on there).
- (2) SYSC 27.5.3R (Temporary UK role (the 30-day rule)) allows a *person* (P) to carry on a function for a *firm* that would normally be an *FCA certification function* because of its connection with the *United Kingdom* without P becoming a *certification employee*. There is a time limit on how long the *firm* can allow P to do this.
- (3) When calculating the time limit in (2), the *firm* need not take into account any time spent by P before the **general commencement date** performing functions with a *United Kingdom* connection.
- (4) When a *firm*, after the end of the **certification transitional period**, is calculating the maximum time period in (1), the *firm* should take into account any time spent by P during the **certification transitional period** performing functions with a *United Kingdom* connection.
- 7.4 Transitional provisions about regulatory references**
- 7.4.1 R (1) If on the **general commencement date** an *employee* (P) is already performing an *FCA certification function* for an *SMCR firm* (A), the obligation under SYSC 22 (Regulatory references) for A to obtain a reference when issuing a certificate (including reissuing a certificate) for P for that *FCA certification function* does not apply either on or after the end of the **certification transitional period**.
- (2) If there has been a significant change in P's responsibilities forming part of that *FCA certification function* as compared to the position on the **general commencement date**, paragraph (1) ceases to apply from that time.
- 7.4.2 R SYSC 22.2.1R (Obligation to obtain a regulatory reference) does not apply to an application for approval as an *approved person* that:
- (1) is made before the **general commencement date** and is continued in force by SUP TP 11.7 (In-flight applications: Conversion); or
- (2) is made under SUP TP 11.15 (Applications of approved persons to take effect from the commencement date).
- 7.4.3 G SYSC 22.2.4R (Obligation to revise references) does not apply to references given before the **general commencement date**.
- 7.4.4 R Question (F) (disciplinary action) in Part One of SYSC 22 Annex 1R (Template for regulatory references given by SMCR firms and disclosure requirements) does not require disclosure of breaches of individual conduct requirements referred to in question (F) if:
- (1) the disciplinary action referred to in that item took place before the **general commencement date**; and

- (2) the *firm's* records do not show whether the conduct that was subject to disciplinary action amounted to a breach of those individual conduct requirements.
- 7.4.5 G The term individual conduct requirements in SYSC TP 7.4.4R is defined in Section One of Part Two of SYSC 22 Annex 1R.
- 7.4.6 R If:
- (1) a *firm* (A) asks another *firm* (B) for a reference before the **general commencement date**; but
- (2) B gives the reference after that date;
- SYSC 22 (Regulatory references) in the form it is in at the time in (2) applies to B.
- 7.4.7 G SYSC 22 in the form it is in after the **general commencement date** applies to a reference requested or given after the **general commencement date** even if the matters covered by the reference occurred before then.
- 7.5 Transitional provisions about benchmarks and the certification regime**
- 7.5.1 G SYSC 27.6.4R excludes *benchmark activities* from the certification regime. SYSC TP 7.5 brings certain activities in relation to benchmarks back into the certification regime.
- 7.5.2 R SYSC 27 (Senior managers and certification regime: Certification regime) applies to a *person* with *permission* to carry on the *regulated activity* of *administering a specified benchmark* acting as such.
- 7.5.3 G As a consequence of the *benchmarks regulation*, the *regulated activities* referred to in SYSC TP 7.5.2R will cease to apply in certain circumstances (see SUP TP 10 for an explanation of those circumstances).
- 7.5.4 G The effect of SYSC TP 7.5.2R is that SYSC 27 continues to apply to *firms* which still have *permission* to carry on the *regulated activity* in SYSC TP 7.5.2R when carrying on that activity.
- 7.6 Miscellaneous**
- Common platform requirements
- 7.6.1 G The Individual Accountability (Dual-Regulated Firms) Instrument 2018 renumbered material that used to be in SYSC 4 and SYSC 5 so that it now appears in SYSC 24 to SYSC 27. That instrument updated *FCA Handbook* cross-references accordingly.
- 7.6.2 G The requirements of chapters SYSC 24 to SYSC 27 no longer form part of the *common platform organisational requirements* and a reference to anything in SYSC 4 or SYSC 5 does not include any material referred to in SYSC TP 7.6.1G.





## Senior management arrangements, Systems and Controls

### Schedule 1 Record keeping requirements

#### Sch 1.1 G

The aim of the guidance in the following table is to give the reader a quick over-all view of the relevant record keeping requirements.

It is not a complete statement of those requirements and should not be relied on as if it were.

#### Sch 1.2 G

Handbook reference	Subject of record	Contents of record	When record must be made	Retention period
SYSC 2.2.1 R	Arrangements made to satisfy SYSC 2.1.1 R (apportionment) and SYSC 2.1.3 R (allocation)	Those arrangements	On making the arrangements and when they are updated	6 years from the date on which the record is superseded by a more up-to-date record
SYSC 3.2.20 R	Matters and dealings (including accounting records) which are the subject of requirements and standards under the <i>regulatory system</i>	Adequate	Adequate time	Adequate
SYSC 9.1.1R	Business and internal organisation	Details of the <i>firm's</i> orderly records of services and transactions undertaken	Within a reasonable time	Adequate
SYSC 9.1.1AR	Business and internal organisation	Details of the <i>firm's</i> orderly records of services and transactions undertaken	Within a reasonable time	Adequate

Handbook reference	Subject of record	Contents of record	When record must be made	Retention period
SYSC 9.1.2AR, SYSC 3.3.6R	Suitability or appropriateness in relation to an <i>insurance-based investment product</i>	(1) In relation to suitability: (a) why the recommendation is considered suitable; and (b) <i>client</i> information for <i>suitability report</i> and <i>suitability report</i> .	(1) From the date of: (a) recommendation; and (b) the <i>suitability report</i> .	5 years
		(2) In relation to appropriateness, client information obtained in making assessment of appropriateness and the appropriateness assessment.	(2) Date of assessment.	
SYSC 10.1.6 R	Conflict of interest	Kinds of service or activity carried out by or on behalf of	Not specified	

Handbook reference	Subject of record	Contents of record	When record must be made	Retention period
		the <i>firm</i> in which a conflict of interest entailing a material risk of damage to the interests of one or more <i>clients</i> has arisen or, in the case of an ongoing service or activity, may arise.		
SYSC 10A.1.6R	Telephone conversations and electronic communications in relation to stipulated activities in <i>financial instruments</i> (see SYSC 10A.1.1R)	Those activities in <i>financial instruments</i>	At the time of the conversation or communication	Five years from the date of the conversation or communication unless the <i>FCA</i> requests a period of seven years
SYSC 14.1.53 R	Prudential risk management and systems and controls	Accounting and other records that are sufficient to enable the <i>firm</i> to demonstrate to the <i>PRA</i> : (1) that the <i>firm</i> is financially sound and has appropriate systems and controls; (2) the <i>firm's</i> financial position and exposure to risk (to a reasonable degree of accuracy); (3) the <i>firm's</i> compliance with the <i>rules</i> in <i>GENPRU</i> , <i>INSPRU</i> and <i>SYSC</i> .	Not specified	3 years, or longer as appropriate
SYSC 22.9.1R	Employment history of <i>employees</i>	As specified in the <i>rule</i> in column 1	Not specified	As specified in SYSC 22.9.2G
SYSC 25.8.1G	Past versions of a <i>firm's</i> management responsibilities maps	Past versions of a <i>firm's</i> management responsibilities maps	SYSC 25.8.1G does not itself impose requirements but says that past versions of a <i>firm's</i> management responsibilities maps are an important part of its records	SYSC 25.8.1G does not itself impose requirements but says that past versions of a <i>firm's</i> management responsibilities maps are an import-

Handbook reference	Subject of record	Contents of record	When record must be made	Retention period
				ant part of its records
SYSC 25.8.3R	Past versions of a <i>firm's management responsibilities maps</i>	Past versions of a <i>firm's management responsibilities maps</i>	None specified	10 years from the date superseded, or 6 years for <i>large non-directive insurers</i>
SYSC 25.9.5R	Steps taken to comply with SYSC 25.9.4R (Information to be made available to new manager)	Adequate	Adequate time	None specified
SYSC 28.4.1R	Arrangements made to demonstrate compliance with knowledge, ability and good repute requirements in relation to the carrying out of <i>insurance distribution activities</i> .	As required to demonstrate compliance.	As required to demonstrate compliance.	As required to demonstrate compliance.
SYSC 28.4.2R	Matters dealing with knowledge and competence and completed continued professional training and development in relation to the carrying out of <i>insurance distribution activities</i> .	The <i>firm</i> must record the professional training or development completed by each relevant employee in each 12 <i>month</i> period.	As required to demonstrate compliance.	As required to demonstrate compliance but at least 3 years after the relevant employee stops carrying on the activity.

## Senior management arrangements, Systems and Controls

### Schedule 2 Notification requirements

#### Sch 2.1 G

- (1) The aim of the *guidance* in the following table is to give the reader a quick overall view of the relevant notification requirements.
- (2) It is not a complete statement of those requirements and should not be relied on as if it were.
- (3) Table

Handbook reference	Matter to be notified	Content of the notification	Trigger event
SYSC 19A.3.4R(3)	Where an <i>overseas firm</i> deems an <i>employee</i> not to be <i>Remuneration Code staff</i>	Matter described in SYSC 19A.3.4R(3)	Matter described in SYSC 19A.3.4R(3)
SYSC 19A.3.44CR	The decision by the shareholders, members or owners of the <i>firm</i> to approve a higher maximum ratio between the fixed and variable components of total <i>remuneration</i>	Matter as described in SYSC 19A.3.44CR	Matter as described in SYSC 19A.3.44CR
SYSC 19D.3.4R(3)	Where an <i>overseas firm</i> deems an <i>employee</i> not to be <i>dual-regulated firms Remuneration Code staff</i>	Matter described in SYSC 19D.3.4R(3)	Matter described in SYSC 19D.3.4R(3)
SYSC 19D.3.51R	The decision by the shareholders, members or owners of the <i>firm</i> to approve a higher maximum ratio between the fixed and variable components of total <i>remuneration</i>	Matter as described in SYSC 19D.3.51R	Matter as described in SYSC 19D.3.51R



## Senior management arrangements, Systems and Controls

### Schedule 3 Fees and other required payments

#### Sch 3.1 G

There are no requirement for fees or other payments in SYSC.





## Senior management arrangements, Systems and Controls

### Schedule 4 Powers exercised

**Sch 4.1 G**  
[deleted]

**Sch 4.2 G**  
[deleted]



## Senior management arrangements, Systems and Controls

### Schedule 5 Rights of action for damages

#### Sch 5.1 G

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

#### Sch 5.2 G

If a 'Yes' appears in the column headed 'For private person', the *rule* may be actionable by a 'private person' under section 138D (or, in certain circumstances, his fiduciary or representative; see article 6(2) and (3)(c) of the Financial Services and Markets Act 2000 (Rights of Action) Regulations 2001 (SI 2001 No 2256)). A 'Yes' in the column headed 'Removed' indicates that the *FCA* has removed the right of action under section 138D(3) of the *Act*. If so, a reference to the *rule* in which it is removed is also given.

#### Sch 5.3 G

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

#### Sch 5.4 G

Chapter/ Appendix	Section/ Annex	Paragraph	Right of action under section 138D		
			For private person?	Removed?	For other person?
SYSC 2 and SYSC 3			No	Yes SYSC 1 Annex 1.1.12R	No
SYSC 4 to SYSC 10			No	Yes SYSC 1 Annex 1.2.19R	No
SYSC 11 to SYSC 19A, and SYSC 19D			No	Yes SYSC 1.4.2 R	No
SYSC 22		Yes (apart from SYSC 22.8.1R and SYSC 22.9.1R)	No (apart from SYSC 22.8.1R and SYSC 22.9.1R)		No
SYSC 23 to SYSC 27			No		No



## Senior management arrangements, Systems and Controls

### Schedule 6 Rules that can be waived

#### Sch 6.1 G [deleted]

#### Sch 6.1A G

As a result of section 138A of the *Act* (Modification or waiver of rules) the *FCA* has power to waive all its *rules*, other than *rules* made under section 64A (rules of conduct), 137O (Threshold condition code), section 247 (Trust scheme rules), section 248 (Scheme particular rules), section 261I (Contractual scheme rules) or section 261J (Contractual scheme particulars rules) of the *Act*. However, if the *rules* incorporate requirements laid down in European directives, it will not be possible for the *FCA* to grant a waiver that would be incompatible with the *United Kingdom's* responsibilities under those directives.

