

**PRA RULEBOOK: SOLVENCY II FIRMS, NON-SOLVENCY II FIRMS: FITNESS AND PROPRIETY
AMENDMENT INSTRUMENT 2016**

Powers exercised

- A. The Prudential Regulation Authority (“PRA”) makes this instrument in the exercise of the following powers and related provisions in the Financial Services and Markets Act 2000 (“the Act”):
- (1) section 60 (applications for approval);
 - (2) section 137G (the PRA’s general rules); and
 - (3) section 137T (general supplementary powers).
- B. The rule-making powers referred to above are specified for the purpose of section 138G(2) (rule-making instruments) of the Act.

Pre-conditions to making

- C. In accordance with section 138J of the Act (consultation by the PRA), the PRA consulted the Financial Conduct Authority. After consulting, the PRA published a draft of proposed rules and had regard to representations made.

PRA Rulebook: Solvency II Firms, Non-Solvency II Firms: Fitness and Propriety Amendment Instrument 2016

- D. The PRA makes the rules in the Annexes to this instrument.

Commencement

- E. This instrument comes into force on 7 March 2016.

Citation

- F. This instrument may be cited as the PRA Rulebook: Solvency II Firms: Non-Solvency II Firms: Fitness and Propriety Amendment Instrument 2016.

By order of the Board of the Prudential Regulation Authority

10 February 2016.

Annex A

This Annex amends the rules made in PS22/15 Appendix 1 (PRA Rulebook: Solvency II Firms: Senior Insurance Managers Regime (No.2) Instrument 2015).

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

Part

INSURANCE – ALLOCATION OF RESPONSIBILITIES

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5 RECORDS

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5.4 A firm must keep an up-to-date record of the scope of responsibilities of each *key function holder*.

5.5 A *scope of responsibilities form*, where it is kept and maintained on behalf of a *key function holder*, will satisfy the requirement in 5.4.

5.6 The record in 5.4, and each updated version, must be signed by the *key function holder* and an appropriate representative of the *firm*.

5.7 Where a *firm* amends its *governance map* to show changes in a *person's* responsibilities it must also ensure that:

(1) the *person* concerned is informed in writing of the changes; and

(2) the record in 5.4 is amended to show the changes.

5.8 Each version of both the *governance map* and the record in 5.4 must be retained for a period of ten years from the date on which it was superseded by a more up-to-date record, and must be provided to the *PRA* on request.

5.9 [Not currently used.]

5.10 A *firm* must comply with 5.8 in relation to any record created in accordance with SYSC 2.2.1R of the *PRA Handbook* as at 31 December 2015.

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Annex B

This Annex amends the rules made in PS 26/15 (PRA Rulebook: Non-Solvency II Firms: Large Non-Solvency II Firms – Senior Insurance Managers Regime Instrument 2015).

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

Part

LARGE NON-SOLVENCY II FIRMS – ALLOCATION OF RESPONSIBILITIES

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5 RECORDS

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- 5.4 ~~A firm must retain each version of the governance map for six years from the date on which it was superseded by a more up-to-date version.~~
- 5.5 ~~A firm must retain any records created in accordance with SYSC 2.2.1R of the PRA Handbook as at 31 December 2015 for six years from the date on which they were superseded by more up-to-date records.~~
- 5.4 A firm must keep an up-to-date record of the scope of responsibilities of each key function holder.
- 5.5 A scope of responsibilities form, where it is kept and maintained on behalf of a key function holder, will satisfy the requirement in 5.4.
- 5.6 The record in 5.4, and each updated version, must be signed by the key function holder and an appropriate representative of the firm.
- 5.7 Where a firm amends its governance map to show changes in a person's responsibilities it must also ensure that:
- (1) the person concerned is informed in writing of the changes; and
 - (2) the record in 5.4 is amended to show the changes.
- 5.8 Each version of both the governance map and the record in 5.4 must be retained for a period of six years from the date on which it was superseded by a more up-to-date record, and must be provided to the PRA on request.
- 5.9 [Not currently used.]
- 5.10 A firm must comply with 5.8 in relation to any record created in accordance with SYSC 2.2.1R of the PRA Handbook as at 31 December 2015.