

Chapter 4

Own funds requirements

4.1 Application

- 4.1.1** **R** This chapter applies to:
- (1) a *MIFIDPRU investment firm*; and
 - (2) a *UK parent entity* that is required by **■ MIFIDPRU 2.5.7R** to comply with **■ MIFIDPRU 4** on the basis of its *consolidated situation*.
- 4.1.2** **R** Where this chapter applies to a *UK parent entity* under **■ MIFIDPRU 4.1.1R(2)**, it applies with the following modifications:
- (1) **■ MIFIDPRU 4.2.1R** (Initial capital requirement) does not apply; and
 - (2) any reference to a "*firm*" or "*MIFIDPRU investment firm*" in this chapter is to the hypothetical single *MIFIDPRU investment firm* created under the *consolidated situation*.
- 4.1.3** **G** **■ MIFIDPRU 2.5** contains additional *guidance* on how a *UK parent entity* should apply the requirements in this chapter on a *consolidated basis*.