

## Chapter 5

# Concentration risk

## 5.6 Obligations for a firm that exceeds the concentration risk soft limit

- 5.6.1** **R** For as long as a *firm* exceeds the *concentration risk soft limit* for one or more *clients* or *groups of connected clients*, it must calculate the *K-CON requirement*.
- 5.6.2** **R** When a *firm* exceeds the *concentration risk soft limit* for a *client* or *group of connected clients*, it must notify the *FCA* without delay of the amount of the *EVE*, and the name of the individual *client* or *group of connected clients*.
- 5.6.3** **R** A *firm* must make the notification referred to in **■** MIFIDPRU 5.6.2R by completing Part A of the form in **■** MIFIDPRU 5 Annex 1R and submitting it using the *online notification and application system*.