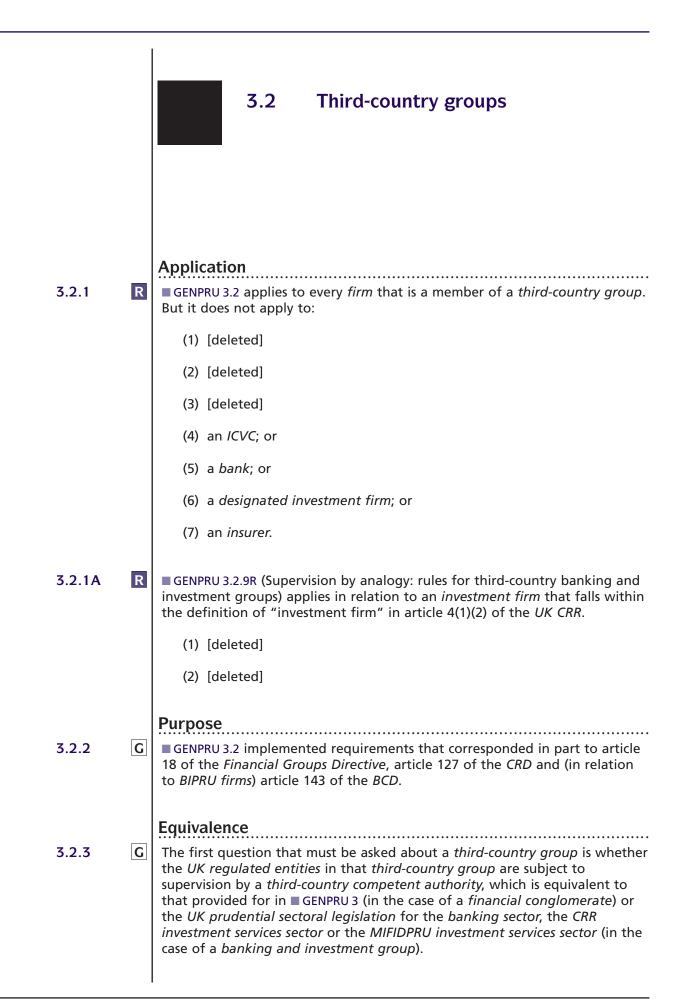
General Prudential sourcebook

Chapter 3

Cross sector groups

GENPRU 3 : Cross sector groups



3

		Other methods: General
3.2.4	G	If the supervision of a <i>third-country group</i> by a <i>third-country competent</i> <i>authority</i> does not meet the equivalence test referred to in GENPRU 3.2.3 G, the methods set out in <i>MIFIDPRU</i> or the <i>UK</i> provisions which implemented the <i>CRD</i> and <i>UK CRR</i> will apply. Alternatively, the <i>FCA</i> may apply other methods that ensure appropriate supervision of the <i>UK regulated entities</i> in that <i>third-country group</i> in accordance with the aims of supplementary supervision in GENPRU 3 or consolidated supervision under the applicable <i>UK</i> prudential sectoral legislation.
		Supervision by analogy: introduction
3.2.5	G	If the supervision of a <i>third-country group</i> by a <i>third-country competent</i> <i>authority</i> does not meet the equivalence test referred to in GENPRU 3.2.3 G, the FCA may, rather than take the measures described in GENPRU 3.2.4 G, apply, by analogy, the provisions concerning supplementary supervision in GENPRU 3 or, as applicable, consolidated supervision under the applicable UK prudential sectoral legislation, to the UK regulated entities in the banking sector, CRR investment services sector, MIFIDPRU investment services sector and (in the case of a financial conglomerate) insurance sector.
3.2.6	G	The FCA believes that it will only be right to adopt the option in GENPRU 3.2.5 G in response to very unusual group structures.
3.2.7	G	■ GENPRU 3.2.8 R and ■ GENPRU 3.2.9 R and ■ GENPRU 3 Annex 2 set out <i>rules</i> to deal with the situation covered in ■ GENPRU 3.2.5 G. Those <i>rules</i> do not apply automatically. Instead, they can only be applied with respect to a particular <i>third-country group</i> through the <i>Part 4A permission</i> of a <i>firm</i> in that <i>third-country group</i> .
		Supervision by analogy: rules for third-country conglomerates
3.2.8	R	If the Part 4A permission of a firm contains a requirement obliging it to comply with this rule with respect to a third-country financial conglomerate of which it is a member, it must comply, with respect to that third-country financial conglomerate, with the rules in Part 1 of \blacksquare GENPRU 3 Annex 2, as adjusted by Part 3 of that annex.
3.2.9	R	Supervision by analogy: rules for third-country banking and investment groups If the Part 4A permission of a firm contains a requirement obliging it to
		comply with this <i>rule</i> with respect to a <i>third-country banking and investment group</i> of which it is a member, it must comply, with respect to that <i>third-country banking and investment group</i> , with the <i>rules</i> in Part 2 of GENPRU 3 Annex 2, as adjusted by Part 3 of that annex.