

Chapter 11

Recovery and resolution

11.7 Notifications

Application

11.7.1

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This section applies to:

- (1) an *IFPRU 730k firm* that is not subject to supervision on a *consolidated basis*;
- (2) a *firm* that is an *RRD group member*;
- (3) a *qualifying parent undertaking* that is an *RRD group member*; and
- (4) a *qualifying parent undertaking* that is a *mixed activity holding company* of an *IFPRU 730k firm*.

Resolution notifications

11.7.2

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A *firm* or *qualifying parent undertaking* must notify the *FCA* immediately if its management body considers that any of the following have occurred:

- (1) the assets of the *firm* or *qualifying parent undertaking* have become less than its liabilities; or
- (2) the *firm* or *qualifying parent undertaking* is unable to pay its debts or other liabilities as they fall due; or
- (3) there are objective reasons to support a determination that (1) or (2) will occur in the near future; or
- (4) *extraordinary public financial support* is needed for the *firm* or *qualifying parent undertaking*, except if it takes any of forms allowed by section 7(5E) of the Banking Act 2009.

11.7.3

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A *firm* must also notify the *FCA* immediately if its *management body* considers that:

- (1) the *firm* is failing to satisfy any of the *threshold conditions*, including due to the *firm* having incurred, or being likely to incur, losses that will deplete all, or a significant amount of, its *own funds*; or

(2) there are objective elements to support a determination that the *firm* will fail to satisfy any of the *threshold conditions* in the near future.

[Note: article 81(1) of RRD]

11.7.4 **R** A *firm* or *qualifying parent undertaking* must notify the FCA by sending an e-mail to its usual supervisory contact.