

Prudential sourcebook for Investment Firms

IFPRU TP 9 Large exposures limits

Application

- 9.1 R IFPRU TP 9 applies to an *IFPRU investment firm*, unless it is an *exempt IFPRU commodities firm*.

Purpose

- 9.2 G IFPRU TP 9 contains the *rules* that exercise the discretion afforded to the *FCA* as *competent authority* under article 493(4) to (7) of the *EU CRR*. The applicable limits in IFPRU TP 9 apply for the duration of the transitional.

Duration of transitional

- 9.3 R IFPRU TP 9 applies until 31 December 2020.

Large exposures limits

- 9.4 R For the purposes of article 493(4) of the *EU CRR*, a *firm* may incur any of the exposures provided for in article 493(5) of the *EU CRR* meeting the conditions set out in article 493(6) of the *EU CRR*, up to the following limits:
- (1) 100% of the *firm's common equity tier 1 capital* and *additional tier 1 capital* until 31 December 2018;
 - (2) 75% of the *firm's common equity tier 1 capital* and *additional tier 1 capital* until 31 December 2019; and
 - (3) 50% of the *firm's common equity tier 1 capital* and *additional tier 1 capital* until 31 December 2020.

