Chapter 3

Rules about application



## 3.1 Who?

- 3.1.1 PRIN applies to every firm, except that it does not apply to a firm in relation to its carrying on of auction regulation bidding.
- 3.1.1A R PRIN also applies:
  - (1) to an electronic money institution, an authorised payment institution, a small payment institution or a registered account information service provider; and
  - (2) [deleted]
- R 3.1.1B (1) Principle 7 applies to a registered person communicating a financial promotion relating to one or more qualifying cryptoassets (in reliance on the exemption in article 73ZA of the Financial Promotion Order) as it applies to an authorised person communicating a financial promotion relating to one or more qualifying cryptoassets (■ PRIN 3.2.2R), disregarding the effect of ■ PRIN 3.2.10R.
  - (2) For the purpose of (1), relevant references in this sourcebook to a firm include reference to a registered person.
- 3.1.2 G [deleted]
- 3.1.3 G [deleted]
- G 3.1.4 [deleted]
- 3.1.5 G [deleted]
- 3.1.6 A firm will not be subject to a Principle or ■ PRIN 2A to the extent that it would be contrary to the requirements of an EU measure passed or made before IP completion day, to the extent that those requirements continue to have effect after IP completion day under the EUWA.
- 3.1.7 G ■ PRIN 4 provides specific guidance on the application of the *Principles* and ■ PRIN 2A for MiFID business.

- The Principles will not apply to the extent that they purport to impose an obligation which is inconsistent with requirements which implemented the Payment Services Directive, the Consumer Credit Directive or the Electronic Money Directive. For example, there may be circumstances in which Principle 12 and PRIN 2A may be limited by the conduct of business obligations derived from the Payment Services Directive and the Electronic Money Directive and applicable to payment service providers and electronic money issuers (see Parts 6 and 7 of the Payment Services Regulations and Part 5 of the Electronic Money Regulations) or derived from the Consumer Credit Directive (see, for example, the information requirements in the Consumer Credit (Disclosure of Information) Regulations 2010 (SI 2010/1013)).
- 7.1.9 R PRIN applies to a TP firm, except that Principle 4 only applies to the extent that a TP firm is subject to rules relating to capital adequacy.
- - (2) Where Principle 12 and PRIN 2A do not apply, Principle 7 also applies to a TP UCITS qualifier and a TP AIFM qualifier with respect to the activities in PRIN 3.2.2R.
- For the purposes of PRIN 3.1.9R, a *TP firm* should refer to GEN 2.2.30R and GEN 2.2.31G to determine which *rules* relating to capital adequacy apply to it.
- 3.1.13 R | Principle 12 and PRIN 2A apply to:
  - (1) a TP firm; and
  - (2) a Gibraltar-based firm.