

# Chapter 11

## Controllers and close links



11.5 Notifications by firms

11.5.1

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Information to be submitted by the *firm* (see ■ SUP 11.4.7 R (2)(a))

(1)	The name of the <i>firm</i> ;
(2)	the name of the <i>controller</i> or <b>proposed controller</b> and, if it is a <i>body corporate</i> and is not an <i>authorised person</i> , the names of its <i>directors</i> and its <i>controllers</i> ;
(3)	a description of the proposed event including the shareholding and <i>voting power</i> of the <i>person</i> concerned, both before and after the change in control; and
(4)	any other information of which the <i>appropriate regulator</i> would reasonably expect notice.

11.5.2

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The notification from a *firm* under ■ SUP 11.4.7 R (2)(a) need only contain as much of the information set out in ■ SUP 11.5.1 R as the *firm* is able to provide, having made reasonable enquiries from *persons* and other sources as appropriate.

11.5.3

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11.5.4

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*Firms* are reminded that a change in *control* may give rise to a change in the *group companies* to which the *appropriate regulator's* consolidated financial supervision requirements apply. Also, the *firm* may for the first time become subject to the *appropriate regulator's* requirements on consolidated financial supervision. This may apply, for example, if the *controller* is itself an *authorised undertaking*. The *appropriate regulator* may therefore request such a *firm*, *controller* or *proposed controller* to provide evidence that, following the change in *control*, the *firm* will meet the requirements of these *rules*, if appropriate.

11.5.4A

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*Firms* are also reminded that a change in *control* may give rise to a notification as a *financial conglomerate* or a change in the supplementary supervision of a *financial conglomerate* (see ■ GENPRU 3.1(Cross sector groups) and ■ GENPRU 3.2(Third country groups)).

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11.5.6

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		<b>Form of notification when a person reduces control</b> .....
11.5.7	R	<p>A notification of a proposed reduction in <i>control</i> must:</p> <p>(1) give the name of the <i>controller</i>; and</p> <p>(2) provide details of the extent of <i>control</i> (if any) which the <i>controller</i> will have following the change in <i>control</i>.</p>
		<b>Joint notifications</b> .....
11.5.8	G	<p>A <i>firm</i> and its <i>controller</i> or proposed <i>controller</i> may discharge an obligation to notify the <i>appropriate regulator</i> by submitting a single joint <i>section 178 notice</i> containing the information required from the <i>firm</i> and the <i>controller</i> or proposed <i>controller</i>. In this case, the <i>section 178 notice</i> may be used on behalf of both the <i>firm</i> and the <i>controller</i> or proposed <i>controller</i>.</p>
11.5.9	G	<p>If a <i>person</i> is proposing a change in <i>control</i> over more than one <i>firm</i> within a <i>group</i>, then the <i>controller</i> or proposed <i>controller</i> may submit a single <i>section 178 notice</i> to the <i>PRA</i> in respect of all those <i>firms</i> which are <i>PRA-authorised persons</i> and a single <i>section 178 notice</i> to the <i>FCA</i> in respect of all those <i>firms</i> which are not <i>PRA-authorised persons</i>. The <i>section 178 notice</i> should contain all the required information as if separate notifications had been made, but information and documentation need not be duplicated within the set of information sent to each regulator.</p>
11.5.10	G	<p>When an event occurs (for example, a <i>group</i> restructuring or a merger) as a result of which:</p> <p>(1) more than one <i>firm</i> in a <i>group</i> would undergo a change in <i>control</i>; or</p> <p>(2) a single <i>firm</i> would experience more than one change in <i>control</i>;</p> <p>then, to avoid duplication of documentation, all the <i>firms</i> and their <i>controllers</i> or proposed <i>controllers</i> may discharge their respective obligations to notify the <i>appropriate regulator</i> by submitting a single <i>section 178 notice</i> to the <i>PRA</i> containing one set of information in relation to all the <i>firms</i> which are <i>PRA-authorised persons</i> and a single <i>section 178 notice</i> to the <i>FCA</i> containing one set of information in relation to all the <i>firms</i> which are not <i>PRA-authorised persons</i>.</p>