

**SENIOR MANAGEMENT ARRANGEMENTS, SYSTEMS AND CONTROLS  
(AMENDMENT NO 2) INSTRUMENT 2009**

**Powers exercised**

- A. The Financial Services Authority makes this instrument in the exercise of the following powers and related provisions in the Financial Services and Markets Act 2000 (“the Act”):
- (1) section 138 (General rule-making power);
  - (2) section 156 (General supplementary powers); and
  - (3) section 157(1) (Guidance).
- B. The rule-making powers listed above are specified for the purpose of section 153(2) (Rule-making instruments) of the Act.

**Commencement**

- C. This instrument comes into force on 1 April 2009.

**Amendments to the Handbook**

- D. The Senior Management Arrangements, Systems and Controls sourcebook (SYSC) is amended in accordance with the Annex to this instrument.

**Citation**

- E. This instrument may be cited as the Senior Management Arrangements Systems and Controls (Amendment No 2) Instrument 2009.

By order of the Board  
26 February 2009

## Annex

**Amendments to the Senior Management Arrangements, Systems and Controls  
sourcebook (SYSC)**

In this Annex, underlining indicates new text and striking through indicates deleted text.

The text amended by this Annex is the text made by the *Senior Management Arrangements, Systems and Controls (Extension of Common Platform Provisions) Instrument 2008* (FSA 2008/40) which comes into force on 1 April 2009.

1 Annex 1 Detailed application of SYSC

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Part 3: Tables summarising the application of the common platform requirements to different types of firm.

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<b>Provision</b>	<b>COLUMN A</b>	<b>COLUMN B</b>
<b>SYSC 4</b>	<b>Application to a common platform firm</b>	<b>Application to all other firms apart from insurers, managing agents and the Society</b>
...		
SYSC 4.4.1R	Not applicable	<p>Rule applies this section only to:</p> <p>(1) an <i>authorised professional firm</i> in respect of its <i>non-mainstream regulated activities</i> unless the <i>firm</i> is also conducting other <i>regulated activities</i> and has appointed <i>approved persons</i> to perform the <i>governing functions</i> with equivalent responsibilities for the <i>firm's non-mainstream regulated activities</i> and other <i>regulated activities</i>;</p> <p>(2) <u>activities carried on by a firm whose principal purpose is to carry on activities other than regulated activities</u> and which is:</p> <p style="padding-left: 40px;">(a) an <i>oil market participant</i>;</p> <p><del>(3)</del> (b) a <i>service company</i>;</p>

		<p><del>(4)</del> <u>(c)</u> an <i>energy market participant</i>;</p> <p><del>(5)</del> <u>(d)</u> a wholly-owned subsidiary of:</p> <p style="padding-left: 40px;"><u>(i)</u> a local authority</p> <p style="padding-left: 40px;"><u>(ii)</u> a registered social landlord;</p> <p><del>(6)</del> <u>(e)</u> a <i>firm</i> with <i>permission</i> to carry on <i>insurance mediation activity</i> in relation to <i>non-investment insurance contracts</i> but no other <i>regulated activity</i>;</p> <p><del>(7)</del><u>(3)</u> an <i>incoming Treaty firm</i>, an <i>incoming EEA firm</i> and a <i>UCITS qualifier</i>, (but only <i>SYSC 4.4.5 R(2)</i> applies for these <i>firms</i>); and</p> <p><del>(8)</del><u>(4)</u> a <i>sole trader</i>, <u>but only if he employs any person who is required to be approved under section 59 of the Act (Approval for particular arrangements)</u>.</p>
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#### 4.4 Apportionment of responsibilities

##### Application

4.4.1 R This section applies to:

- (1) an *authorised professional firm* in respect of its *non-mainstream regulated activities* unless the *firm* is also conducting other *regulated activities* and has appointed *approved persons* to perform the *governing functions* with equivalent responsibilities for the *firm's non-mainstream regulated activities* and other *regulated activities*;
- (2) an *oil market participant*; activities carried on by a *firm* whose principal purpose is to carry on activities other than *regulated activities* and which is:
  - (a) an *oil market participant*; or

- (b) a service company; or
  - (c) an energy market participant; or
  - (d) a wholly-owned subsidiary of:
    - (i) a local authority; or
    - (ii) a registered social landlord; or
  - (e) a firm with permission to carry on insurance mediation activity in relation to non-investment insurance contracts but no other regulated activity;
- (3) ~~a service company; [deleted]~~
  - (4) ~~an energy market participant; [deleted]~~
  - (5) ~~a wholly-owned subsidiary of:~~
    - (a) ~~a local authority; or~~
    - (b) ~~a registered social landlord; [deleted]~~
  - (6) ~~a firm with permission to carry on insurance mediation activity in relation to non-investment insurance contracts but no other regulated activity; [deleted]~~
  - (7) ~~an incoming Treaty firm, an incoming EEA firm or a UCITS qualifier (but only SYSC 4.4.5R(2) applies for these firms); and~~
  - (8) ~~a sole trader, but only if he employs any person who is required to be approved under section 59 of the Act (Approval for particular arrangements).~~