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DRAFT STATUTORY INSTRUMENTS

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**2022 No.**

The Financial Services Act 2021 (Prudential Regulation of Credit Institutions and Investment Firms) (Consequential Amendments and Miscellaneous Provisions) Regulations 2022

PART 4

Amendment of Retained Direct EU Legislation

**Regulation (EU) No. 648/2012 of the European Parliament and of the Council of 4 July 2012 on OTC derivatives, central counterparties and trade repositories**

**19.**—(1) Regulation (EU) No. 648/2012 of the European Parliament and of the Council of 4 July 2012 on OTC derivatives, central counterparties and trade repositories<sup>(1)</sup> is amended as follows.

(2) In Article 2(2) (definitions), after point (36) insert—

“(37) ‘FCA Handbook’ means the handbook published by the FCA containing rules made by that Authority under FSMA as that handbook has effect on 17 August 2022;

(38) ‘FCA investment firm’ has the meaning given in Article 4(1)(2AB) of the Capital Requirements Regulation<sup>(3)</sup>;

(39) ‘Part 9C rules’ has the meaning given in section 143F(1) of FSMA<sup>(4)</sup>.”

(3) In Article 50a(5) (calculation of KCCP)—

(a) in paragraph (1), after “PRA Rulebook” insert “and Chapter 10 of the Prudential Sourcebook for MiFID Investment Firms (MIFIDPRU) in the FCA Handbook”;

(b) in paragraph (3), after “institutions” insert “or FCA investment firms”;

(c) in paragraph (4)(b), after “institution” insert “or FCA investment firm”.

(4) In Article 50b(6) (general rules for the calculation of KCCP), after point (b) insert—

“(ba) for FCA investment firms that fall under the scope of Part 9C rules, the netting sets are the same as those set out in the definition of “netting set (in MIFIDPRU)” in the Glossary of the FCA Handbook;”.

(5) In Article 50c(7) (reporting of information)—

(a) in paragraph (1)—

(i) after “PRA Rulebook” insert “and Chapter 10 of the Prudential Sourcebook for MiFID Investment Firms (MIFIDPRU) in the FCA Handbook”;

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(1) EUR 648/2012.

(2) Points (32) to (35) were inserted by S.I. 2018/1184. Point (36) was inserted by S.I. 2021/1376.

(3) Article 4(1)(2AB) was inserted by section 1(4) of the Financial Services Act 2021.

(4) Section 143F was inserted by paragraph 1 of Schedule 2 to the Financial Services Act 2021.

(5) Article 50a was amended by S.I. 2021/1376.

(6) Article 50b was amended by S.I. 2021/1376.

(7) Article 50c was amended by S.I. 2021/1376.

- (ii) after “institutions” insert “or FCA investment firms”;
- (b) in paragraph (2), after “institutions” insert “or FCA investment firms”;
- (c) in paragraph (3)(c), after “institution” insert “or FCA investment firm”.

**Regulation (EU) No 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms and amending Regulation (EU) No 648/2012**

20. In Article 4(1)(131)(b) (definition of resolution entity) of [Regulation \(EU\) No 575/2013](#) of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms and amending [Regulation \(EU\) No 648/2012](#)(8), for “Part 6 of the Capital Requirements Regulations 2013” substitute “this Regulation and CRR rules”.

**Regulation (EU) No 537/2014 of the European Parliament and of the Council of 16 April 2014 on specific requirements regarding statutory audit of public-interest entities and repealing Commission Decision 2005/909/EC**

21. In Article 12 (report to supervisors of public-interest entities) of [Regulation \(EU\) No 537/2014](#) of the European Parliament and of the Council of 16 April 2014 on specific requirements regarding statutory audit of public-interest entities and repealing Commission [Decision 2005/909/EC](#)(9)—

- (a) in paragraph (2), omit the second and third sub-paragraphs;
- (b) in paragraph (3), omit “or to ESRB and the CEAOB,”.

**Commission Delegated Regulation (EU) 2015/35 of 10 October 2014 supplementing Directive 2009/138/EC of the European Parliament and of the Council on the taking-up and pursuit of the business of Insurance and Reinsurance (Solvency II)**

22.—(1) Commission Delegated Regulation (EU) 2015/35 of 10 October 2014 supplementing [Directive 2009/138/EC](#) of the European Parliament and of the Council on the taking-up and pursuit of the business of Insurance and Reinsurance (Solvency II)(10) is amended as follows.

(2) In Article 335(1)(e)(i)(11) (method 1: determination of consolidated data), after “in accordance with” insert “Part 9C rules or”.

(3) In Article 336(c)(i)(12) (method 1: calculation of the consolidated group solvency capital requirement), after “in accordance with” insert “Part 9C rules or”.

**Commission Delegated Regulation (EU) 2019/980 of 14 March 2019 supplementing Regulation (EU) 2017/1129 of the European Parliament and of the Council as regards the format, content, scrutiny and approval of the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Commission Regulation (EC) No 809/2004**

23. In paragraph 1 of Annex 26 (UK Growth Securities Note for Equity Securities) of Commission Delegated Regulation (EU) 2019/980 of 14 March 2019 supplementing Regulation (EU) 2017/1129 of the European Parliament and of the Council as regards the format, content, scrutiny and approval of the prospectus to be published when securities are offered to the public or

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(8) EUR 575/2013. Article 4(1)(131) was amended by [S.I. 2019/1232](#).

(9) EUR 537/2014.

(10) EUR 2015/35.

(11) Article 335 was amended by [S.I. 2019/407](#).

(12) Article 336 was amended by [S.I. 2019/407](#).

admitted to trading on a regulated market, and repealing [Commission Regulation \(EC\) No 809/2004](#), for the entry in column 2 of the table relating to Item 4.1.12(13), substitute—

“Where applicable, the potential impact on the investment in the event of resolution under the UK law which implemented [Directive 2014/59/EU](#).”.