



Financial Services (Banking Reform) Act 2013

2013 CHAPTER 33

PART 1

RING-FENCING

Ring-fencing

VALID FROM 01/01/2019

1 Objectives of Prudential Regulation Authority

- (1) Section 2B of FSMA 2000 (the PRA's general objective) is amended as follows.
- (2) In subsection (3)—
 - (a) at the end of paragraph (a), omit “and”, and
 - (b) after paragraph (b) insert “, and
 - (c) discharging its general functions in relation to the matters mentioned in subsection (4A) in a way that seeks to—
 - (i) ensure that the business of ring-fenced bodies is carried on in a way that avoids any adverse effect on the continuity of the provision in the United Kingdom of core services,
 - (ii) ensure that the business of ring-fenced bodies is protected from risks (arising in the United Kingdom or elsewhere) that could adversely affect the continuity of the provision in the United Kingdom of core services, and
 - (iii) minimise the risk that the failure of a ring-fenced body or of a member of a ring-fenced body's group

Status: Point in time view as at 01/03/2014. This version of this provision is not valid for this point in time.

Changes to legislation: There are currently no known outstanding effects for the Financial Services (Banking Reform) Act 2013, Section 1. (See end of Document for details)

could affect the continuity of the provision in the United Kingdom of core services.”

(3) In subsection (4), for “subsection (3)” substitute “ subsection (3)(a) and (b) ”.

(4) After subsection (4) insert—

“(4A) The matters referred to in subsection (3)(c) are—

- (a) Part 9B (ring-fencing);
- (b) ring-fenced bodies (see section 142A);
- (c) any body corporate incorporated in the United Kingdom that has a ring-fenced body as a member of its group;
- (d) applications under Part 4A which, if granted, would result, or would be capable of resulting, in a person becoming a ring-fenced body.”

(5) In section 2J of FSMA 2000 (interpretation of Chapter 2 of Part 1)—

- (a) in subsection (3), for “a PRA-authorised” substitute “ an authorised ”,
- (b) after that subsection insert—

“(3A) For the purposes of this Chapter, the cases in which a person (“P”) other than an authorised person is to be regarded as failing include any case where P enters insolvency.”, and

- (c) in subsection (4), for “subsection (3)(a)” substitute “ subsections (3)(a) and (3A) ”.

Status:

Point in time view as at 01/03/2014. This version of this provision is not valid for this point in time.

Changes to legislation:

There are currently no known outstanding effects for the Financial Services (Banking Reform) Act 2013, Section 1.