
STATUTORY INSTRUMENTS

2013 No. 556

**The Financial Services and Markets Act
2000 (PRA-regulated Activities) Order 2013**

Dealing in investments as principal: designation by the PRA

- 3.—(1) The PRA may designate a person (“P”) for the purposes of article 2(d) if—
- (a) the condition in paragraph (2) is met in relation to P;
 - (b) the condition in paragraph (3) is also met in relation to P; and
 - (c) having regard to the objectives of the PRA and to the matters mentioned in paragraph (4), the PRA considers that it is desirable that the activity of dealing in investments as principal, when carried on by P, should be a PRA-regulated activity.
- (2) The condition in this paragraph is that P—
- (a) is an authorised person with permission to carry on the activity of dealing in investments as principal;
 - (b) is a person who has applied for Part 4A permission to carry on that activity; or
 - (c) is an EEA firm which has notified its home state regulator of its intention to—
 - (i) provide in the United Kingdom services or activities which consist of or include dealing on its own account in accordance with Article 31 of the markets in financial instruments directive; or
 - (ii) establish a branch in the United Kingdom and to provide services or activities which consist of or include dealing on its own account in accordance with Article 32 of that directive.
- (3) The condition in this paragraph is that P—
- (a) is an investment firm to which Article 9 of Directive [2006/49/EC](#) of the European Parliament and of the Council on the capital adequacy of investment firms and credit institutions⁽¹⁾ (investment firms which are required to have initial capital of EUR 730,000) applies;
 - (b) has applied for Part 4A permission and would meet the requirement specified in sub-paragraph (a) if permission were to be granted; or
 - (c) is established in a country which is not an EEA State but would meet the requirement specified in sub-paragraph (a) if P were established in an EEA State and had obtained the necessary authorisation from its home state regulator for its business.
- (4) The matters specified in this paragraph are—
- (a) the assets of P;
 - (b) where P is a member of a group—
 - (i) the assets of the members of that group who satisfy the conditions in paragraphs (2) and (3) (regardless of whether they have been designated under this article);

⁽¹⁾ OJ L 177, 30.6.2006, p.201.

- (ii) whether a person who has been designated under this article is a member of P's group;
 - (iii) whether P's activities have, or might have, a material impact on the ability of the PRA to advance any of its objectives in relation to PRA-authorised persons in the group.
- (5) A designation under this article must relate to a particular person and may not relate to persons of a specified description.
- (6) Before designating a person under this article, the PRA must consult the FCA.