

Chapter 1

Application and purpose

1.1AApplication

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The application of this sourcebook is summarised at a high level in the following table. The detailed application is cut back in ■ SYSC 1 Annex 1 and in the text of each chapter.

Type of firm	Applicable chapters
Insurer, UK ISPV	Chapters 2, 3, 12 to 18, 19F.2, 21, 22, 23, 24, 25, 26, 27, 28, 28A
Managing agent	Chapters 2, 3, 11, 12, 15A, 18, 19F.2, 21, 22, 23, 24, 25, 26, 27, 28, 28A
Society	Chapters 2, 3, 12, 15A, 18, 19F.2, 21, 22, 23, 24, 25, 26, 27, 28, 28A
Any other SMCR firm	Chapters 4 to 12, 15A, 18, 19D, 19F, 19G, 21, 22, 23, 24, 25, 26, 27, 28, 28A
Every other firm	Chapters 4 to 12, 15A, 18, 19D, 19F, 19G, 21, 22, 28, 28A

Firms that ■ SYSC 19D applies to should also refer to the Remuneration part of the PRA Rulebook.

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The application of this sourcebook to specific *firms* that are not *PRA- authorised persons* is summarised at a high level in the following table. The detailed application is cut back in ■ SYSC 1 Annex 1 and in the text of each chapter.

Type of firm	Applicable chapters
Full-scope UK AIFM	Chapters 4 to 10, 12, 18, 19B, 19F.2, 21, 22, 23, 24, 25, 26, 27, 28, 28A
MIFIDPRU investment firm (including an over-seas firm that would have been a MIFIDPRU investment firm if it had been a UK domestic firm, except that SYSC 19G does not apply to such a firm)	Chapters 4 to 10, 12, 18, 19F, 19G, 21, 22, 23, 24, 25, 26, 27, 28, 28A

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Chapter 15A of this sourcebook also applies to:

- (1) an electronic money institution, a payment institution and a registered account information service provider;

(2) a *UK RIE*.

as set out in the text of that chapter.

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The provisions in SYSC should be read in conjunction with ■ GEN 2.2.23 R to ■ GEN 2.2.25 G. In particular:

(1) [deleted]

(2) Provisions made by the *FCA*, and by the *PRA* in the *PRA* Rulebook, may be applied by both regulators to *PRA-authorised persons*. Such provisions are applied by each regulator to the extent of its powers and regulatory responsibilities.

(3) For *Solvency II firms*, the *FCA* considers that the requirements and guidance in Chapters 2, 3, 12 to 18, 19F.2, 21, 22 and 28 of SYSC are not inconsistent with:

(a) the parts of the *PRA* Rulebook which implemented the governance provisions in the *Solvency II Directive* (articles 40 to 49);

(b) the *Solvency II Regulation*, or

(c) *EIOPA* guidelines on systems of governance dated 28 January 2015 (EIOPA-BoS-14/253 EN).

In most cases, there is no direct overlap with those provisions because the SYSC requirements are directed at *FCA* conduct requirements not expressly covered by or under provisions which implemented or supplemented the *Solvency II Directive*. Where there is a direct overlap with SYSC rules and guidance, the *FCA* will take requirements and guidelines which implemented or supplemented the *Solvency II Directive* into account. The definition of *Solvency II firm* includes (for SYSC) *large non-directive insurers* because the *PRA* have applied certain Solvency II derived requirements to those *firms*. Where SYSC refers to the *PRA* Rulebook applicable to *Solvency II firms*, *large non-directive insurers* should read those references as if they were references to the corresponding part of the *PRA* Rulebook applicable to *large non-directive insurers*.