
STATUTORY INSTRUMENTS

2018 No. 1401

**The Capital Requirements (Amendment)
(EU Exit) Regulations 2018**

PART 3

Amendment of secondary legislation: European Union (Withdrawal) Act 2018

CHAPTER 4

Amendment of the 2014 Regulations

Regulation 2 (interpretation)

35.—(1) Regulation 2 (interpretation) is amended as follows.

(2) In paragraph (1)—

(a) for the definition of “capital conservation buffer” substitute—

““capital conservation buffer” means—

- (a) in relation to a PRA-authorized person, the capital conservation buffer that the person must calculate in accordance with Chapter 2 of the Capital Buffers Part of the PRA rulebook;
- (b) in relation to a person to whom chapter 10 of the FCA’s Prudential sourcebook for Investment Firms applies, the capital conservation buffer that the person must calculate in accordance with section 10.2 of the sourcebook;”;

(b) after the definition of “capital conservation buffer” insert—

““the capital requirements regulation” means 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, as it forms part of domestic law by virtue of section 3 of the European Union (Withdrawal) Act 2018, and as amended from time to time thereafter;”

(c) for the definition of “combined buffer requirement” substitute—

““combined buffer requirement” means the total Common Equity Tier 1 capital required to meet the requirements for the capital conservation buffer extended by the following, as applicable—

- (a) an institution-specific countercyclical capital buffer;
- (b) a G-SII buffer;
- (c) a systemic risk buffer;”;

(d) for the definition of “G-SII buffer” substitute—

““G-SII buffer” means the own funds that a G-SII is required to maintain in accordance with Part 4 of these Regulations, corresponding to the sub-category to

- which the G-SII is allocated and consisting of and supplementary to the Common Equity Tier 1 capital;”;
- (e) for the definition of “institution-specific countercyclical capital buffer” substitute—
- ““institution-specific countercyclical capital buffer” means—
- (a) in relation to a PRA-authorized person, the countercyclical capital buffer that the person must calculate in accordance with Chapter 3 of the Capital Buffers Part of the PRA rulebook;
- (b) in relation to a person to whom chapter 10 of the FCA’s Prudential sourcebook for Investment Firms applies, the countercyclical capital buffer that the person must calculate in accordance with section 10.3 of the sourcebook;”;
- (f) for the definition of “systemic risk buffer” substitute—
- ““systemic risk buffer” has the meaning set out in regulation 34A(1) of these Regulations;”;
- (g) omit the following definitions—
- “EEA parent financial holding company”;
- “EEA parent institution”;
- “EEA parent mixed financial holding company”;
- “ESRB”;
- “O-SII buffer”.
- (3) After paragraph (2) insert—
- “(2A) In these Regulations—
- (a) a reference to the PRA rulebook is to the rulebook published by the Prudential Regulation Authority containing rules made by that Authority under FSMA as the rulebook has effect on exit day;
- (b) any reference to a sourcebook is to a sourcebook in the Handbook of Rules and Guidance published by the Financial Conduct Authority containing rules made by that Authority under FSMA as the sourcebook has effect on exit day.”.
- (4) Omit paragraph (3).
- (5) Omit paragraph (4).