



## **CIMA signs MoU with Successor Entities to the UK's FSA**

On 1 April, 2013, the United Kingdom's Financial Services Act 2012 enters into force, and functions previously exercised by the Financial Services Authority (FSA) will now be exercised by three separate entities. These are the Prudential Regulation Authority (PRA), the Financial Conduct Authority (FCA) and the Bank of England.

CIMA has signed Memoranda of Understanding (MoU) with the PRA and the FCA, successor agencies to the FSA.

The PRA – a subsidiary of the Bank of England – will be responsible for prudential supervision of deposit takers, insurers and significant investment firms. The FCA will be responsible for regulating conduct in retail and wholesale markets (including both exchange-operated markets and over-the-counter dealing), or supervising the trading infrastructure that supports those markets; and for prudential regulation of firms not prudentially regulated by the PRA.

The Bank of England will be responsible for systematically important market infrastructure in addition to its monetary authority/financial stability functions as a central bank and as the UK's banking resolution authority.

Provisions of the existing MoU between CIMA and the FSA will automatically cease, and the provisions of this MoU will automatically take effect between CIMA and the PRA and FCA, effective 1 April, 2013.