



Flow chart on the interaction of Pre-Issuance Notification (PIN) and CRR Art 26(3) Common Equity Tier 1 (CET1) permission processes

Relevant to PRA-authorized CRR firms that have issued ordinary shares since 28 June 2013 or any future issuances that they intend to classify as CET1.

This flow chart covers PRA Definition of Capital Rule 7A and 7D

Does the firm already have a CRR Article 26(3) permission for this instrument?

No

Yes, and the terms of this subsequent issuance are NOT substantially the same****

Yes, and terms of this subsequent issuance are substantially the same****

A CRR Article 26(3) permission is required. Please submit the following at least three months in advance of date of issuance.

Please submit the following at least one month in advance of the date of issuance or amendment:

Please submit the following no later than the date of issuance or amendment:

CRR application form *
PIN form**
CET1 compliance template
Terms & conditions of instrument***
Draft independent legal opinion

PIN form**
CET1 compliance template
Terms & conditions of the instrument***
Draft independent legal opinion

PIN form**
Terms & conditions of the instrument***
Written confirmation that:
i) the terms are substantially the same
ii) the instrument qualifies as CET1

Please send documents to:
PRA-waivers@bankofengland.co.uk and
CRRFirms.regulatorycapital@bankofengland.co.uk

Please send documents to:
CRRFirms.regulatorycapital@bankofengland.co.uk

Please send documents to:
CRRFirms.regulatorycapital@bankofengland.co.uk

Following PRA review:
When Article 26(3) permission is granted, firms will receive a written approval notice. The written notice will be published on the Financial Services Register. Firms may only classify the capital instrument as CET1 after this permission is granted.

Following PRA review:
Supervision will notify the firm with any comments, or an e-mail confirming that it has no further comments on the proposed issuance. In some cases, the firm may need a new Article 26(3) written approval notice.

Following PRA review:
No response from the PRA unless it has any comments.

Following issuance: Please submit a copy of the final terms and conditions and final legal opinion

Effective from 1 April 2020

* CRR application form available at: <https://www.bankofengland.co.uk/prudential-regulation/authorisations/capital-requirements-regulation-permissions>

**PIN Form available at: <https://www.bankofengland.co.uk/prudential-regulation/supervision/capital-instruments-pre-issuance-notification>

***Terms of the instrument (the Articles of Association) together with any side agreement such as any shareholders agreement
In case the terms & conditions are derived from a previous issuance, a marked up copy may speed up the PRA assessment

****The PRA Supervisory Statement 7/13 clarifies 'substantially the same' for the purposes of pre-issuance notifications