

# Regulatory Regime in United Kingdom

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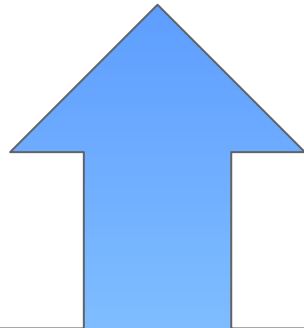
**ARGO GROUP**

*Get there together*

May 29, 2013

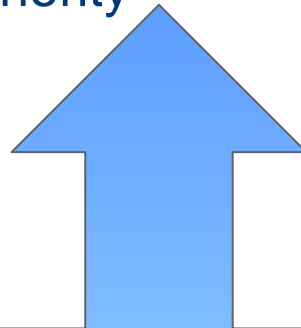
# Supervisory Structure in United Kingdom

## Bank of England



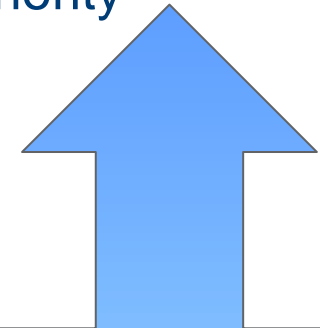
- Founded in 1694
- Responsible for Monetary and Financial Stability
- Issue Banknotes
- Supervision and Regulation of Financial firms
- Financial Policy Committee – Financial Stability
- 19 Dec 2012 – new financial services framework; FSA is abolished

## Financial Conduct Authority



- Formed: 1 April 2013
- Successor of FSA (Not part of BoE)
- Prudential regulation to those not regulated/supervised by PRA (Asset managers, Financial advisers)
- Responsible for effective competition, conduct regulation of all financial firms, protecting customers
- Regulate marketing of the Financial product (ban/change promotions – misleading customers)
- Able to ban products up to a 1 year, while investigating indefinite ban
- Originally proposed to be named “Consumer Protection and Markets Authority”

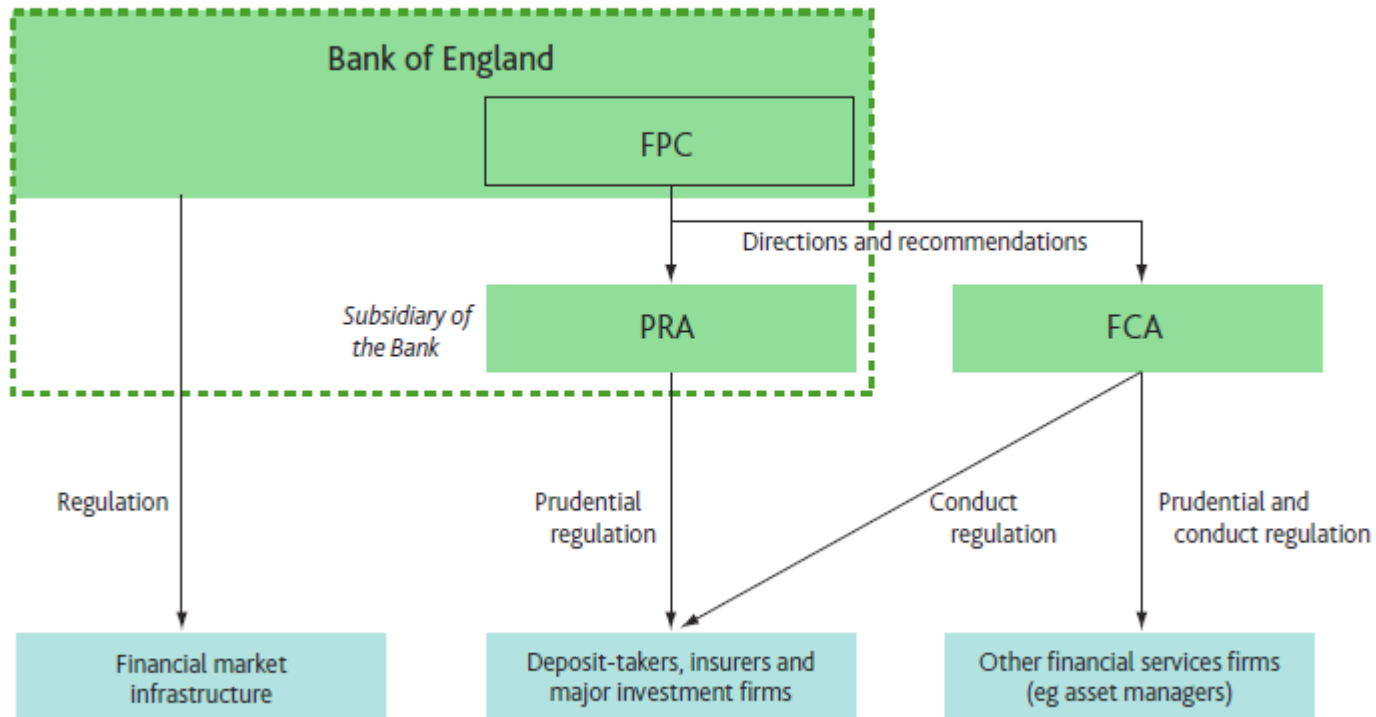
## Prudential Regulation Authority



- Formed: 1 April 2013
- Successor of FSA
- Structured as limited company fully owned by Bank of England
- Regulates about 1700 financial firms
- Prudential regulation and supervision of Financial firms (Banks, Investment Banks, Building Societies and Insurance Companies)
- Safety and soundness of financial firms (especial insurers)
- Focus on the harm that financial companies can cause to the stability of the financial system

# New Regulatory Framework

Figure 1 Simplified picture of the new regulatory framework



Note: In this diagram, 'Financial market infrastructure' refers to central counterparties, securities settlement systems and recognised payment systems.

# Lloyds of London

- Founded in 1774 (Society of Lloyds)
- World's specialist insurance/reinsurance market
- GWP – £ 25,500m
- Result before Tax £2,771m (2012)
- 57 Managing Agents and 87 syndicates
- Lloyds Extra Security
  - Central Assets – £2,485m
- Hurricane Sandy 2012 £1.35bn
- “quasi regulator” – capital setting/business plan approval etc.



# Actuaries in United Kingdom

## Institute and Faculty of Actuaries ([www.actuaries.org.uk](http://www.actuaries.org.uk))

- Members - aprox. 22,000 members (11,000 Fellows)
- Education (various lectures covering GI/Life/Health);
- Announcements/Market Analysis - Accounting, Solvency & Riskmanagement
- Social events (annual ball, boat party, quiz/poker nights etc.)
- “The Actuary“ magazine
- Subscription fees (£690 Fellow, £456 Associate, £282 Student)

## Become an Actuary

Supported by Employers – Study leave, Cover exam/lecture/subscription expenses, Salary implications

- Associate (AIA/AFA)
  - 9 core technical exams + 3 core applications exams
  - 1 year work-based skills
- Fellow
  - Associate + 2 specialist technical subjects + 1 special application subject
  - 3 years work based-skills, attend professional skills course of being admitted as Fellow