

## **Prudential – Investment, Insurance Intermediation and Banking Rules (PRU)**

\*In this document underlining indicates new text and striking through indicates deleted text.

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## 1.2 Glossary

1.2.1 The following terms and abbreviations bear the following meanings for the purpose of these Rules.

<u>Fiat-Referenced Token</u>	<u>Has the meaning given in section 258 of FSMR.</u>
<u>Stored Value</u>	<u>Has the meaning given in section 258 of FSMR.</u>
<u>Stored Value Provider</u>	<u>Has the meaning given in section 258 of FSMR.</u>

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## Category 3C

1.3.5 An Authorised Person is in Category 3C if:

- (a) its Financial Services Permission authorises it to carry on one or more of the Regulated Activities of:
- (i) Managing Assets;
  - (ii) Managing a Collective Investment Fund;
  - (iii) Providing Custody (where it does so other than for a Fund);
  - (iv) Managing a Profit Sharing Investment Account which is a PSIAr;
  - (v) Providing Trust Services (where it is acting as trustee in respect of at least one express trust);~~or~~
  - (vi) Providing Money Services; or
  - (vii) Issuing a Fiat-Referenced Token; and

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## PART 3– Calculating Capital Requirements

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3.3.2 The table below sets out the Base Capital Requirement for each Category of Authorised Persons.

Category	Base Capital Requirement (US \$)
3C	250,000, except where an Authorised Person has a Financial Services Permission;

Category	Base Capital Requirement (US \$)
	<p><u>a)</u> only to carry out the Regulated Activity of Managing a Collective Investment Fund, in which case the Base Capital Requirement is the higher of:</p> <p>a) <u>i)</u> 150,000 if the Authorised Person manages a Public Fund or any other type of fund that is available to retail customers; or</p> <p><u>ii)</u> 50,000 otherwise; <u>or</u></p> <p><u>b)</u> <u>carrying out the Regulated Activity of Issuing a Fiat-Referenced Token, in which case it is 2 million.</u></p>

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**3.7.1** An Authorised Person, other than one that has a Financial Services Permission to carry out the Regulated Activity of Providing Third Party Services, must calculate its Expenditure Based Capital Minimum as:

- (a) in the case of an Authorised Person in Category 3C which has issued a Fiat-Referenced Token, one year;
- (b) (a)-in the case of an Authorised Person which holds Client Assets or Relevant Money or Insurance Money, 18/52nds;
- (c) (b)-in the case of an Authorised Person in Category 3B or 3C which does not hold Client Assets or Relevant Money or Insurance Money, 13/52nds; or
- (d) (c)-in the case of an Authorised Person in Category 4, which does not hold Insurance Money, 6/52nds;

of the Annual Audited Expenditure, calculated in accordance with Rule 3.7.2.

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