

## Chapter 8

Variation and cancellation of permission and imposition of requirements on the FCA's own initiative and intervention against incoming firms

**8.6 Exercising the power under section 55Q to vary or cancel a firm's Part 4A permission or to impose requirements on a firm in support of an overseas regulator: the FCA's policy**

**8.6.1** The *FCA* has a power under section 55Q to vary, or alternatively cancel, a *firm's Part 4A permission*, or to impose requirements on a *firm*, in support of an *overseas regulator*. Section 55Q, (5) and (6) sets out matters the *FCA* may, or must, take into account when it considers whether to exercise these powers.

**8.6.2** [deleted]

**8.6.3** [deleted]

**8.6.4** The *FCA* will actively consider requests for assistance from *overseas regulators* Section 55Q, which sets out matters the *FCA* may take into account when it decides whether to vary or cancel a *firm's Part 4A permission* or to impose *requirements* on a *firm* in support of the *overseas regulator*, applies in these circumstances.

**8.6.5** Where section 55Q(5) applies and the *FCA* is considering whether to vary a *firm's Part 4A permission* or to impose requirements on a *firm*, it may take account of all the factors described in paragraphs ■ 8.6.1 to ■ 8.6.8 but may give particular weight to:

- (1) the matters set out in paragraphs (c) and (d) of section 55Q(5) (seriousness, importance to persons in the United Kingdom, and the public interest); and
- (2) any specific request made to it by the *overseas regulator* to impose requirements or to vary, rather than cancel, the *firm's Part 4A permission*.

**8.6.6** The *FCA* will give careful consideration to whether the relevant authority's concerns would provide grounds for the *FCA* to exercise its *own-initiative powers* to vary, impose *requirements* or cancel if they related to a UK *firm*. It is not necessary for the *FCA* to be satisfied that the overseas provisions being

enforced mirror precisely those which apply to UK *firms*. However, the *FCA* will not assist in the enforcement of regulatory *requirements* or other provisions that appear to extend significantly beyond the purposes of UK *regulatory provisions*.

### 8.6.7

Similarly, the *FCA* will not need to be satisfied that precisely the same assistance would be provided to the United Kingdom in precisely the same situation. However, it will wish to be confident that the relevant authorities in the jurisdiction concerned would have powers available to them to provide broadly similar assistance in aid of UK authorities, and would be willing properly to consider exercising those powers. The *FCA* may decide, under section 55Q(6), not to exercise its *own-initiative powers* to vary or cancel in response to a request unless the regulator concerned undertakes to make whatever contribution towards the cost of its exercise the *FCA* considers appropriate.

### 8.6.8

Paragraphs ■ 8.4.2 and ■ 8.4.4 set out some examples of *limitations* and *requirements* the *FCA* may impose when exercising its section 55Q powers.