

## Chapter 6A

# Permission to approve financial promotions



## 6A.1 Application and purpose

### Application

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- 6A.1.1 **G** This chapter applies to a *firm*:

  - (1) that wishes to apply to the *FCA* for *approver permission*; or
  - (2) with *approver permission*.
  
- 6A.1.2 **G** This chapter will also be of interest to a *person* who is applying, or is considering applying, for *Part 4A permission* and who may also wish to apply for *approver permission*.

### Purpose

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- 6A.1.3 **G** Under sections 21(2A) and 55NA of the *Act* a *firm* is unable to *approve* a *financial promotion* for the purposes of section 21 of the *Act* unless:

  - (1) the *firm* has obtained *approver permission* entitling it to *approve* that *financial promotion*; or
  - (2) an *approver permission exemption* applies.
  
- 6A.1.4 **G** A *firm* that *approves*, or purports to *approve*, a *financial promotion* other than:

  - (1) in accordance with the terms of its *approver permission*, if it has such a permission; or
  - (2) within the scope of an *approver permission exemption*,

is taken to have contravened a requirement imposed on the *firm* under the *Act*.

[Note: section 55NA(2) and (11) of the *Act*]
  
- 6A.1.5 **G** This chapter explains how:

  - (1) a *firm* can apply for *approver permission*;

- (2) a *firm* with *approver permission* can apply to the *FCA* to vary the terms of that *approver permission* or to cancel it; and
- (3) the *FCA* assesses and determines those applications.

6A.1.6 **G** This chapter also outlines the *FCA’s* power, on its own initiative, to vary the terms of a *firm’s approver permission* or to cancel it.

6A.1.7 **G** This chapter also includes a *rule* that requires a *firm* to keep the *FCA* informed of its plans to *approve financial promotions* of *investments* subject to marketing restrictions (■ SUP 6A.2.19R).

**Interaction with other powers**

6A.1.8 **G** Apart from the *FCA’s* power to grant, vary or cancel *approver permission*, section 55NA(12) of the *Act* confirms that the *FCA* may exercise other powers under the *Act* to restrict a *firm’s* ability to *approve financial promotions* beyond the restriction imposed by section 55NA. For example, the *FCA* may exercise its power to impose requirements under section 55L of the *Act* to restrict a *firm’s* ability to *approve financial promotions* for which it would not otherwise require *approver permission* (see ■ SUP 6.3 and ■ SUP 7).