## Chapter 8

Waiver and modification of rules



## 8.4 Reliance on waivers

## Application of waived rules

8.4.1 G If the appropriate regulator gives a firm a waiver, then the relevant rule no longer applies to the firm. But:

- (1) if a waiver directs that a rule is to apply to a firm with modifications, then contravention of the modified rule could lead to appropriate regulator enforcement action and (if applicable) a right of action under section 138D of the Act (Actions for damages); and
- (2) if a waiver is given subject to a condition, it will not apply to activities conducted in breach of the condition, and those activities, if in breach of the original *rule*, could lead to *appropriate regulator* enforcement action or such a right of action.

## The effect of rule changes on waivers

8.4.2 Substantive changes to the *rules* (this would not include simple editorial changes) in the Handbook may affect existing waivers, changing their practical effect and creating a need for a change to the original waiver. The appropriate regulator will consult on proposed rule changes. A firm should note proposed rule changes and discuss the impact on a waiver with its appropriate supervisory contact.